

CITY OF ST. CLOUD, FLORIDA ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED
SEPTEMBER 30, 2021



ANNUAL
COMPREHENSIVE FINANCIAL REPORT
OF THE
CITY OF ST. CLOUD, FLORIDA
FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2021

PREPARED BY THE
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INTRODUCTORY SECTION

**CITY OF ST. CLOUD, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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CITY OF ST. CLOUD, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED SEPTEMBER 30, 2021

LISTING OF CITY OFFICIALS

ELECTED AND APPOINTED OFFICIALS

Mayor

Nathan Blackwell

Deputy Mayor

Keith F. Trace

Council Member

Charles "Chuck" Cooper

Council Member

David C. Askew

Council Member

Linette Matheny

City Manager

William "Bill" E. Sturgeon

DEPARTMENTAL OFFICIALS

Deputy City Manager

Veronica C. Miller

Finance Director

Wendy C. Collazo

Information Technology Director

Gee Chow

City Clerk

Linda P. Jaworski

Human Resources Director

Mimi Tran

Fire Chief

Jason Miller

Community Development Director

Andre Anderson

Building Director

Robert A. Deatherage

Parks and Recreation Director

Stephanie Holtkamp

Procurement Services Director

Leslie Flores

Public Safety Administrator and Chief of Police

Peter S. Gauntlett

Environmental Utilities Director

Marjorie Craig

Public Works Director

Donald Edwards



March 28, 2022

To the Honorable Mayor
and Members of the City Council, and Citizens
City of St. Cloud, Florida
1300 Ninth Street
St. Cloud, FL 34769

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It is my pleasure to present the Annual Financial Report (AFR) for the fiscal year ended September 30, 2021. State law, in accordance with the Florida Statutes 166.241; Chapter 10.500, Rules of the Auditor General, and Section 3.12 of the City Charter, requires that every general-purpose local government publish within six months of the close of each fiscal year or receive an extension for a complete set of audited financial statements.

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The AFR is presented in four sections. The introductory section includes this Transmittal Letter and an organizational chart for the city. The financial section includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), audited city wide and fund financial statements and notes thereto, and required supplementary information. The Statistical Section sets forth the selected unaudited economic, financial trend, and demographic information for the City of St. Cloud on a multi-year basis. The compliance section includes other information and reports required by Florida Statutes and OMB Circular A-133 when applicable.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for that purpose, because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable (rather than absolute) assurance that the financial statements are free of any material misstatements.

Purvis Gray and Company, LLP has issued an unmodified opinion on the City of St. Cloud's financial statements for the fiscal year ended September 30, 2021. GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction.

Profile of the Government

The City of St. Cloud, incorporated in 1911, is located in the southeastern central part of Central Florida, which is considered to be part of the Orlando-Kissimmee-Sanford metropolitan area. The City currently occupies 26.57 square miles and serves a population of 58,964 based on 2021 estimates from the University of Florida Bureau of Economic and Business Research (BEBR). The City of St. Cloud is empowered to levy a property tax on both real and personal property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City of St. Cloud has operated under the Council-Manager form of government since January 16, 1925. On November 18, 1929, two new commissioners (Council Members) were added and the managerial form of government was voted to be changed to a strong Mayor-Council form of government, and the Mayor was elected by the Council Members. The City of St. Cloud was one of the first cities in the state to adopt this form of government. Then in 1965, the city once again adopted the Council-Manager form of government. Policy making and legislative authority are vested in a governing Council consisting of the Mayor and four other members, all elected on a nonpartisan basis. The Council appoints the City Manager, who, in turn, appoints the heads of the various departments. The Mayor and all Council Members are elected at large for four year terms starting with the first election held in 2012.

The City of St. Cloud provides a full range of services, including police and fire protection, emergency medical services, the construction and maintenance of sidewalks, highways, streets, traffic signalization, planning and zoning, building permit and building maintenance, parks and recreational facilities, cultural facilities and general administration services.

In addition to general government activities, certain services are provided through separate enterprise funds and the City Council governs their operations, in essence, as departments of the City of St. Cloud. The enterprise operations of the city are: water, sewer collection and treatment, storm water, refuse collection and transfer station operations, and therefore are an integral part of the City of St. Cloud's financial statements. New impact fee funds were established, beginning October 1, 2018, to separately account for impact fees generated from increased growth related to water and waste water capacity. The City of St. Cloud Council members serve as the Board of Directors of the Stevens Plantation Improvement Project Dependent Special District (DSD). As the DSD's Board of Directors, they are financially accountable for the district, which is reported as a blended component unit within the City of St. Cloud's financial statements. Additional information on the Steven's DSD can be found in the notes to the financial statements (Note 1.)

Profile of the Government (continued)

The City Council adopts the annual budget prior to the beginning of the fiscal year and amends it during the year when events and/or circumstances warrant it. The Council may amend the budget by resolution no later than 60 days after the close of the fiscal year (F.S. 166.241). This annual budget serves as the foundation for the City of St. Cloud's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). With the City Manager's approval, department heads may transfer resources within a department as they see fit; however, transfers between departments requires a budget amendment by resolution through the governing council.

Local Economy

The City of St. Cloud's economy continues to improve at a rapid rate. Housing starts (new homes for which construction has begun) serves as an economic indicator within the City's service area. The strong positive contribution from property taxes combined with existing values results both from market conditions and current property tax law. Currently, the development of residential product in the City is significantly greater than the average market value of residential product built before 2009, which currently accounts for 75% of units. Some of the market value increase is a result of larger single-family homes (in terms of square footage) and increases in land costs. In addition, the median home cost in St. Cloud is approximately \$375,000 which is nearly a 40% increase over last year. Home appreciation over the last 10 years has been 10%+ annually. In fiscal year 2021, 1,198 new home permits were issued. New business tax receipts for the same time period also had an increase evidencing the upswing in new business establishments in the City.

Another economic indicator is the labor market. Unemployment rates for Osceola County were as high as 29.0% in May 2020, due to COVID-19, and are now back down to 4.5% in December 2021 and steadily improving per St. Louis Fed. (FRED) which also reported that St. Cloud's per-capita income is \$39,210; the median household income is \$63,018 which is a 20.5% increase from last year.

Although the City is not a top tourist spot in Central Florida, it is in close vicinity to nine out of the ten top Florida theme parks including Disney's Magic Kingdom, EPCOT, Animal Kingdom, Islands of Adventure, Universal Studios, Sea World, and many others. Many of our visitors enjoy other activities St. Cloud has to offer such as a zip line and Aerial Adventure Park at Forever Florida, boat tours, Reptile World, Peghorn Nature Park, a prestigious golf course, horse-drawn carriage tours in the historic downtown area, and a beautiful lakefront park with a beach.

Long-term Financial Planning

The City aggressively seeks out Federal, State, and other operating and capital grants to leverage fund balances by reducing the amount of direct city funding for various programs. Highlights of grants received for fiscal year 2021 include: The COPS Hiring Program (CHP), the Staffing for Adequate Fire and Emergency Response (SAFER) Grant program funded through FEMA, and Community Development Block Grant awards for infrastructure and various other improvements throughout the City. Capital and operating grant totals by function, which include impact fees, can be found in the Statement of Activities of this Annual Financial Report.

Revenue generation is largely influenced by overall economic conditions. Revenues consist of taxes, user fees, shared revenues, and other financing sources. Management is diligent in their efforts to diversify revenue streams and use resources effectively to protect fund balance while maintaining efficient service levels for our citizens and stake holders. Management will also continue to budget and manage all resources in the most cost-effective manner.

Major Initiatives

Economic Development remains a top priority for the City of St. Cloud as we continue to diversify our industry mix. This includes functions of the Community Redevelopment Agency (CRA). In fact, the 2021 Strategic Business Plan references the creation of economic prosperity by diversifying industries, investing in workforce development and promoting destination locations as its objectives. The division has made several headways in the deconstruction of stagnate retail/commercial development.

In late 2020 through early 2021, the CRA completed the sale of the old Makinson Hardware Store to 226 Broadway LLC and provided \$53,588 in financial assistance to the developer in the form of a 50/50 matching commercial façade grant. The renovations included internal and external repairs such as exterior upgrades, plumbing improvements and additions, electrical repairs and upgrades, HVAC repairs and replacement, refrigeration system repair and replacement, and external signage; as well as the construction of an extended patio area which now houses a new outdoor restaurant, called Breezes St. Cloud.

In FY 2020/2021, the CRA invested over \$151,000 in funding to private organizations and grants to three businesses and property owners to rehabilitate and renovate properties in the Downtown District. Grant projects previously funded has helped increase the tax base substantially. When established, the assessed value within the CRA Boundaries was \$148,563,458. As of 2021, our taxable value is \$216,126,540, a 4.5% increase over the previous year, and over \$67 million dollars in increased value over the life of the CRA.

In December 2021, the CRA Board adopted its Strategic 5-Year Financing & Implementation Plan. The Plan is intended to provide a structured and proactive approach to guide redevelopment for the CRA. The goal is to produce a redevelopment implementation strategy that will attract private investment and increase the city's tax base. The Implementation Plan portion of the document outlines specific redevelopment projects and programs, and the Financing Plan provides the associated funding sources and uses. The Finance Plan also creates a transparent financial document that clearly demonstrates the investments the CRA intends to make year after year.

The Downtown Revitalization Project pushes forward with its second phase (Pennsylvania Avenue) which includes a streetscape renovation and infrastructure updates.

In September 2020, in response to the pandemic, the City Council adopted resolution 2020-247R which established the COVID-19 Economic Recovery and Stimulus Plan. Due to the financial impact on businesses in association with COVID-19, many businesses were in need of assistance for continuity of service, retaining jobs, purchasing protective equipment and other working capital. The plan allocated \$500,000 from the OUC Business Retention Fund for financial and technical assistance to businesses and nonprofits in the creation of small business assistance grants, Growth Wheel (a one-on-one business counseling in partnership with UCF Business Incubator) and educational webinars. Economic Development provided 77 grants totaling \$329,675 and helped retain 439 jobs.

Other exceptional activity in the area of ecotourism has occurred and continues forward. In June 2020, the City received its aviation license from the Federal Aviation Authority and a \$500,000 federal award for the construction of fuel pumps, seaplane docks, and mooring buoys.

With the anticipated adoption of the medical arts campus overlay, Economic Development continues the push for incentives for medical office buildings and industries including information technology, manufacturing and more focus on high-wage jobs.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of St. Cloud for its Annual Financial Report (AFR) for the fiscal year ended September 30, 2020. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized AFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current 2021 AFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the professionalism and dedication demonstrated by the Finance Department and all members of the various departments who assisted and contributed to the preparation of this report. In addition, special thanks go to Mayor and City Council for continuous unwavering support in maintaining the highest standards of professionalism in the management of the City of St. Cloud's finances. This AFR reflects management's commitment to the citizens of the City of St. Cloud and the financial community to maintain financial statements in conformance with the highest standards of financial accountability.

Respectfully submitted,



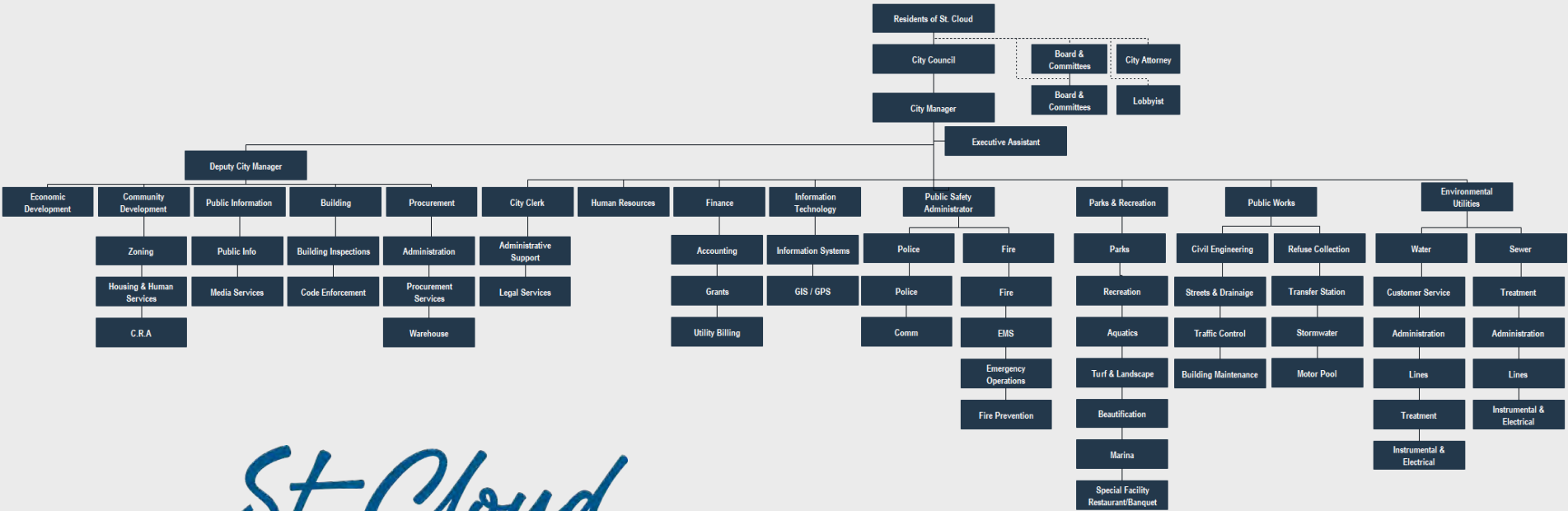
William Sturgeon,
City Manager



Wendy C. Collazo, CPM, CGFO
Finance Director

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CITY OF ST. CLOUD ORGANIZATIONAL CHART FISCAL YEAR 2021-2022





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of St. Cloud
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

This Section Contains The Following Subsections:

REPORT OF INDEPENDENT AUDITORS
MANAGEMENT'S DISCUSSION AND ANALYSIS
BASIC FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
REQUIRED SUPPLEMENTARY INFORMATION
SUPPLEMENTAL INFORMATION

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Cloud, Florida (the City) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | Lakeland | Tampa

purvisgray.com

Members of American and Florida Institutes of Certified Public Accountants

An Independent Member of the BDO Alliance USA

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

INDEPENDENT AUDITOR'S REPORT

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, major fund budgetary comparison schedules, the Schedule of Change in Other Postemployment Benefit Liability and Related Ratios, the Schedules of Changes in the Employers' Net Pension Liability and Related Ratios, the Schedules of Employer Contributions, and the Schedules of Investment Returns, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual non-major fund financial statements, budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, budgetary comparison schedules, and the schedule of expenditures of federal awards are responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

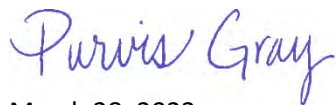
INDEPENDENT AUDITOR'S REPORT

accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, budgetary comparison schedules, and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



March 28, 2022
Ocala, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section in the Annual Comprehensive Financial Report has been developed in accordance with the Governmental Accounting Standards Board (GASB) Statement Number 34 (GASB 34). It is intended to provide the readers of this report with a general overview and analysis of the financial activities of the City of St. Cloud (the City) for the fiscal year ended September 30, 2021.

Management's Discussion and Analysis (MD&A) is designed to focus on the current fiscal year activities, resulting changes, and currently known facts. Please read it in conjunction with additional information in the Transmittal Letter, the financial statements, and notes to the financial statements.

Financial Highlights

The City is in good financial condition. For the year ended September 30, 2021:

- The City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$478.3 million (net position). Of this amount, \$167.2 million was from governmental activities and \$311.1 million was from business-type activities.
- Unrestricted net positions for governmental and business activities, respectively, were \$2.8 and \$19.5 million.
- The City's revenues for governmental funds, excluding transfers, were \$66.6 million. The expenditures for governmental funds were \$61.3 million.
- The business-type activities of the City had total operating revenues of \$59.0 million and total expenses of \$51.7 million before transfers.
- At the close of fiscal year 2020-2021, the governmental funds reported combined ending fund balances of \$72.0 million, an increase of \$8.8 million in comparison with the prior fiscal year. Approximately \$6.9 million or 9.6% of this total amount is available for spending at the government's discretion (*unassigned fund balance*).
- The City's long-term debt decreased by \$8.0 million. Business-type activities long-term debt decreased by \$5.0 million. Long-term liabilities for governmental activities decreased by \$3.1 million.

Overview of the Financial Statements

The *Introductory Section* of the report includes the letter of transmittal, a list of City officials, an organizational chart, and a copy of last fiscal year's Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting.

The *Financial Section* of the report includes the Independent Auditor's Report, this MD&A, the basic financial statements, required supplementary information, and combining and individual fund statements and schedules.

The *MD&A* is prepared by management and is intended to serve as an introduction to the basic financial statements. It is written to provide an objective and easily readable analysis of the City's financial activities and a summary of basic financial information for the City.

The Basic Financial Statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

MANAGEMENT'S DISCUSSION AND ANALYSIS

In addition to the Basic Financial Statements, the Financial Section also includes the following sections:

- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules (see Supplemental Information Tab).

After the Financial Section, other information about the City and its physical and financial environment are available in the *Statistical* and *Compliance* Sections.

Government-Wide Financial Statements

The government-wide financial statements are the statement of net position and the statement of activities. This summary information is designed to provide a broad overview of the City as a whole that is similar to private sector financial statements. The *government-wide financial statements* categorize the City's financial information as governmental or business-type, and the emphasis is on the change in net position. Governmental activities are primarily supported by property taxes, sales and other taxes, federal and state grants, transfers from the proprietary funds, and state shared revenues. Business-type activities are supported by charges to the users of services. Charges and fees are intended to recover all or a significant portion of costs.

The statement of net position shows the total assets, deferred outflow of resources, liabilities, and deferred inflows of resources for the City. Net position is sub-divided into three categories:

- Net Investment in Capital Assets
- Restricted
- Unrestricted

The statement of activities presents information on all revenues and expenses of the City and the change in net position. Revenues and expenses are reported by major function and program. Governmental activities financed by the City include public safety, physical environment, transportation, culture and recreation, and general government services. Business-type activities financed by user fees and charges include water, sewer, storm water and sanitation utilities, and the building department operations.

Fund Financial Statements

The fund financial statements follow the government-wide financial statements and are expanded under the GASB 34 reporting model. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City categorizes funds into three basic fund types: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide statements. However, unlike the government-wide statements, governmental fund related statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. This information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it may be useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This comparison highlights the long-term impact of the City's *near-term* financial decisions.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances offer a reconciliation to assist with this comparison.

The City maintains twelve individual governmental funds. The general fund and three other funds are major funds in this group. The other eight governmental funds have been combined into a single, aggregated presentation as non-major funds. Data for each individual non-major governmental fund is provided via the combining statements elsewhere in this report.

Proprietary Funds

The City's *Proprietary Funds* fall into two categories - *Enterprise Funds* and *Internal Service Funds*. The proprietary fund financial statements provide separate information for the City's individual enterprise funds since they are considered to be major funds with the exception of the Building Department which is non-major. None of the internal service funds are major funds; so, data for internal service funds are aggregated in a separate column. Also, because the internal service funds represent activities that predominately satisfy internal governmental needs, balance sheet and other data are included as *governmental activities*, not business-type activities, in the government-wide financial statements.

The City's *Enterprise Funds* are the basis for the business-type activities information in the government-wide financial statements. The proprietary fund statements provide more detail about individual enterprise fund operations. The City uses enterprise funds to account for its water, sewer, storm water and sanitation utilities, and the building department operations.

Internal Service Funds are an accounting device used to accumulate and allocate costs internally among some of the City's various functions. Included in the internal service fund group is the City's Self Insurance Fund. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report and is included in the governmental rather than business-type activities category in the government-wide financial statements.

Fiduciary Funds

Fiduciary Funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City has two pension trust funds to account for the General Employee Retirement System and the Police Officers' and Firefighters' Retirement System. The basic fiduciary fund financial statements can be found after the basic proprietary fund financial statements.

Notes to Financial Statements

The notes provide additional information that is essential to a complete understanding of the data provided in both the government-wide and fund financial statements. The notes to the financial statements are the last section of the Basic Financial Statements and follow the fiduciary fund financial statements.

Other Information

Required Supplementary Information (RSI) is the next section in this report. In the City's case, RSI schedules show the changes in net position and employer contributions for the City's employee pension funds and a schedule of funding progress for Other Postemployment Benefits (OPEB).

The Combining and Individual Fund Statements and Schedules section includes combining and individual fund statements for non-major and other funds, and various other statements and schedules of interest to the reader.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Statistical Section presents information designed to give users a better historical perspective and to assist readers in assessing current financial status and trends of the governmental unit. Economic information is presented to allow a broader understanding of the financial and social environment in which the City government operates.

The Compliance Section contains various reports and schedules with information about the City's internal control, federal and state grants, and any additional comments from the auditors.

Government-Wide Financial Analysis

Net Position

The Statement of Net Position and the concept of net position are useful indicators of a governmental entity's financial health and stability. In the case of the City, total assets (current and capital) plus deferred outflows of resources exceed total liabilities (current and long-term) and deferred inflows of resources by \$478.3 million.

Furthermore, the City has combined positive balances in all the categories of net position - net investment in capital assets, restricted and unrestricted. The City's combined net position increased by \$54.6 million from the amounts previously reported at the end of fiscal year 2020. Governmental activities are responsible for an increase of \$14.0 million, while the business-type activities are responsible for an increase of \$40.6 million. In *Governmental Activities Funds*, the unrestricted net position decreased by \$3.7 million. The *Business-Type Activities Funds* unrestricted net position also decreased by \$4.4 million. The growth in the local economic activity and positive financial results has allowed the City to increase positive balances in nearly all categories of net position.

The following schedule provides a comparative summary of net position for the City for fiscal years 2020 and 2021. For more detail, see the Statement of Net Position in the Financial Section of this report immediately following this MD&A.

City of St. Cloud's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2020	2021	2020	2021	2020	2021
Current and Other Assets	\$ 73,773,648	\$ 81,572,773	\$ 83,098,593	\$ 110,727,763	\$ 156,872,241	\$ 192,300,536
Capital Assets	135,045,192	140,649,757	240,407,554	246,106,728	375,452,746	386,756,485
Net Pension Asset	1,429,523	3,873,584	1,303,526	3,494,845	2,733,049	7,368,429
Unamortized Bond Insurance Cost	159,518	136,854	-	-	159,518	136,854
Total Assets	<u>210,407,881</u>	<u>226,232,968</u>	<u>324,809,673</u>	<u>360,329,336</u>	<u>535,217,554</u>	<u>586,562,304</u>
Deferred Outflows	6,420,110	8,940,092	575,100	1,552,632	6,995,210	10,492,724
Long-Term Liabilities	55,042,680	51,663,210	44,479,039	39,673,464	99,521,719	91,336,674
Other Liabilities	7,256,560	7,962,650	10,001,009	8,240,054	17,257,569	16,202,704
Total Liabilities	<u>62,299,240</u>	<u>59,625,860</u>	<u>54,480,048</u>	<u>47,913,518</u>	<u>116,779,288</u>	<u>107,539,378</u>
Deferred Inflows	1,309,331	8,351,316	377,256	2,832,223	1,686,587	11,183,539
Net Position:						
Net Investment in Capital Assets	97,971,031	106,853,944	203,952,152	213,749,760	301,923,183	320,603,704
Restricted	48,780,445	57,561,348	42,742,538	77,918,749	91,522,983	135,480,097
Unrestricted	6,467,944	2,780,592	23,832,779	19,467,718	30,300,723	22,248,310
Total Net Position	<u>\$ 153,219,420</u>	<u>\$ 167,195,884</u>	<u>\$ 270,527,469</u>	<u>\$ 311,136,227</u>	<u>\$ 423,746,889</u>	<u>\$ 478,332,111</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

By far the largest portion of the City's net position is *investment in capital assets* (less any related outstanding debt used to acquire those assets). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate debt.

The City's net position is also grouped as *restricted* and *unrestricted*. Restricted net position is subject to restrictions on how they may be used. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

The Statement of Activities reconciles and links net position to the sources of changes in net position. Program revenues and expenses are presented by function and with their positive or negative effect on net position. General revenues and transfers, and their effect on net position, are shown separately. The Statement of Activities combines the effects of all revenues, expenses, and transfers to calculate net position by governmental activities, business-type activities, and in total. The schedule below provides a comparative summary of activities and the changes in net position for the City for the fiscal years ended September 30, 2020 and 2021.

City of St. Cloud's Changes in Net Position

	Governmental		Business-Type		Total	
	2020	2021	2020	2021	2020	2021
Revenues:						
Program Revenues:						
Charges for Services	\$ 13,794,497	\$ 16,178,746	\$ 45,880,156	\$ 58,988,114	\$ 59,674,653	\$ 75,166,860
Operating Grants and Contributions	818,683	1,150,625	717,214	-	1,535,897	1,150,625
Capital Grants and Contributions	12,097,943	18,909,074	24,060,260	34,579,356	36,158,203	53,488,430
General Revenues:						
Property Taxes	11,741,556	13,576,178	-	-	11,741,556	13,576,178
Other Taxes	15,816,052	18,023,993	-	-	15,816,052	18,023,993
Other Revenues	1,972,726	833,293	1,035,211	674,141	3,007,937	1,507,434
Total Revenues	<u>56,241,457</u>	<u>68,671,909</u>	<u>71,692,841</u>	<u>94,241,611</u>	<u>127,934,298</u>	<u>162,913,520</u>
Expenses:						
General Government	5,903,303	8,804,811	-	-	5,903,303	8,804,811
Public Safety	27,934,401	30,294,503	-	-	27,934,401	30,294,503
Transportation	7,639,113	9,201,916	-	-	7,639,113	9,201,916
Parks and Recreation	5,008,231	6,001,879	-	-	5,008,231	6,001,879
Other Operating	769,691	1,109,065	-	-	769,691	1,109,065
Electric System	472,177	145,079	-	-	472,177	145,079
Interest and Fees	1,166,069	1,081,340	-	-	1,166,069	1,081,340
Water Utility	-	-	13,344,125	13,610,524	13,344,125	13,610,524
Sewer Utility	-	-	12,971,698	13,081,821	12,971,698	13,081,821
Sanitation Utility	-	-	10,605,845	10,601,755	10,605,845	10,601,755
Storm Water Utility	-	-	2,633,013	2,500,567	2,633,013	2,500,567
Special District	-	-	767,333	8,927,518	767,333	8,927,518
Building Department	-	-	2,266,932	2,967,520	2,266,932	2,967,520
Total Expenses	<u>48,892,985</u>	<u>56,638,593</u>	<u>42,588,946</u>	<u>51,689,705</u>	<u>91,481,931</u>	<u>108,328,298</u>
Increase in Net Position						
Before Transfers	7,348,472	12,033,316	29,103,895	42,551,906	36,452,367	54,585,222
Transfers	3,224,279	1,943,148	(3,224,279)	(1,943,148)	-	-
Changes in Net Position	<u>10,572,751</u>	<u>13,976,464</u>	<u>25,879,616</u>	<u>40,608,758</u>	<u>36,452,367</u>	<u>54,585,222</u>
Net Position - Beginning	<u>142,646,669</u>	<u>153,219,420</u>	<u>244,647,853</u>	<u>270,527,469</u>	<u>387,294,522</u>	<u>423,746,889</u>
Net Position - Ending	<u>\$ 153,219,420</u>	<u>\$ 167,195,884</u>	<u>\$ 270,527,469</u>	<u>\$ 311,136,227</u>	<u>\$ 423,746,889</u>	<u>\$ 478,332,111</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

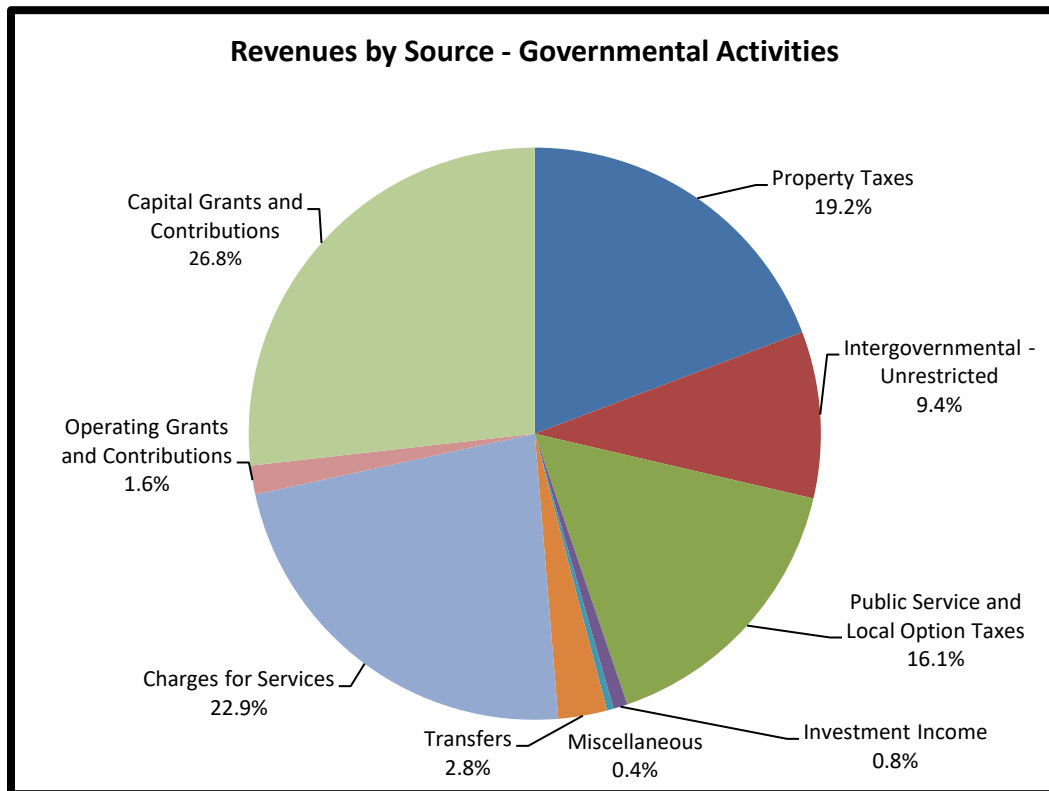
Governmental Activities

Net position of the City's governmental-type activities increased by \$14.0 million from the amounts previously reported at the end of fiscal year 2020. The primary reason for the increase is continual improvement in economic activity throughout the Orlando Metropolitan area. Please see notes to financial statements for further information.

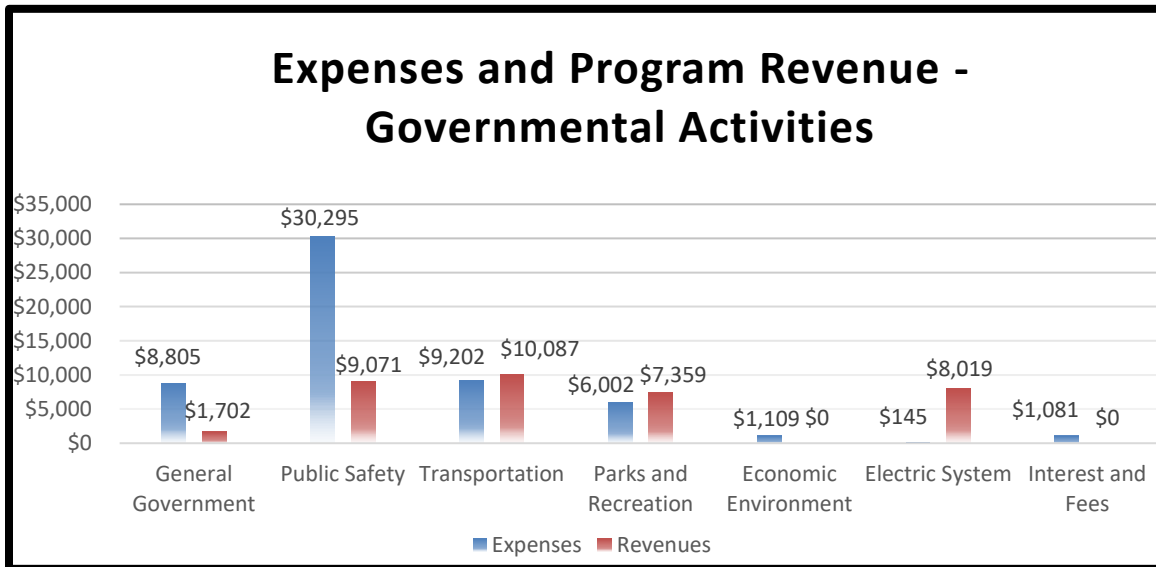
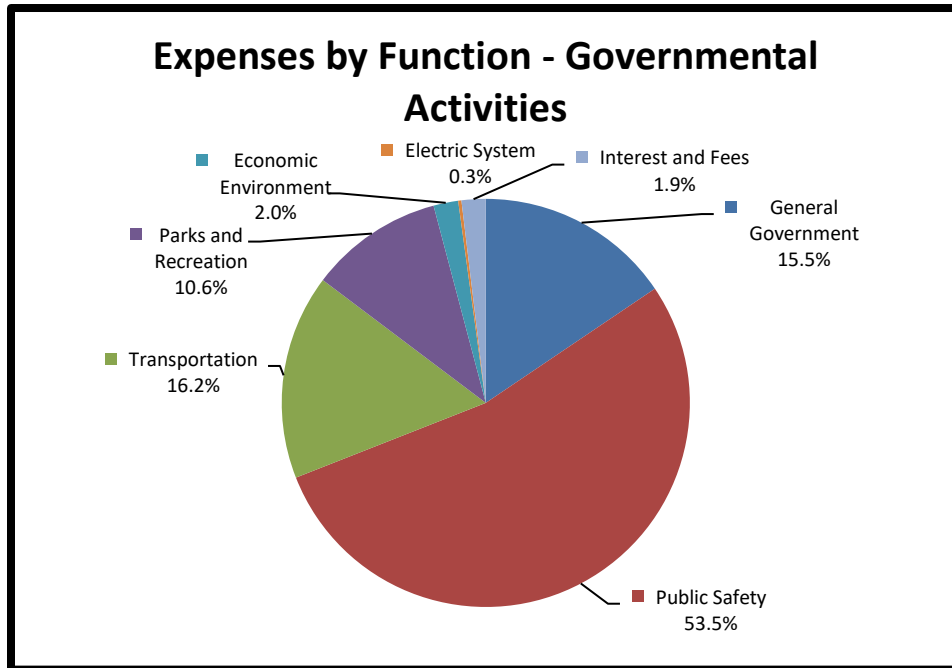
The City's major revenue sources, including property taxes, sales tax, and intergovernmental sources increased moderately from 2020 to 2021. The Orlando Metropolitan Area continues to be one of the fastest growing regions in the United States and both residential and commercial growth is occurring within the City limits. The effect of the pandemic of COVID-19 did have lagging effect in some of the revenue sources.

Overall, Governmental Activities revenues and expenses remained fairly stable. Exceptions to this are Capital Grants and Contributions revenues, which increased by \$6.8 million mainly due to an increase in impact fees contributions from residential and commercial development and population within the City. For expenses, there was a slight change, an increase of \$1.6 million in transportation capital projects.

The following graphs provide an analysis of the City's revenue sources for governmental activities by type, and its governmental activities expenses by function:



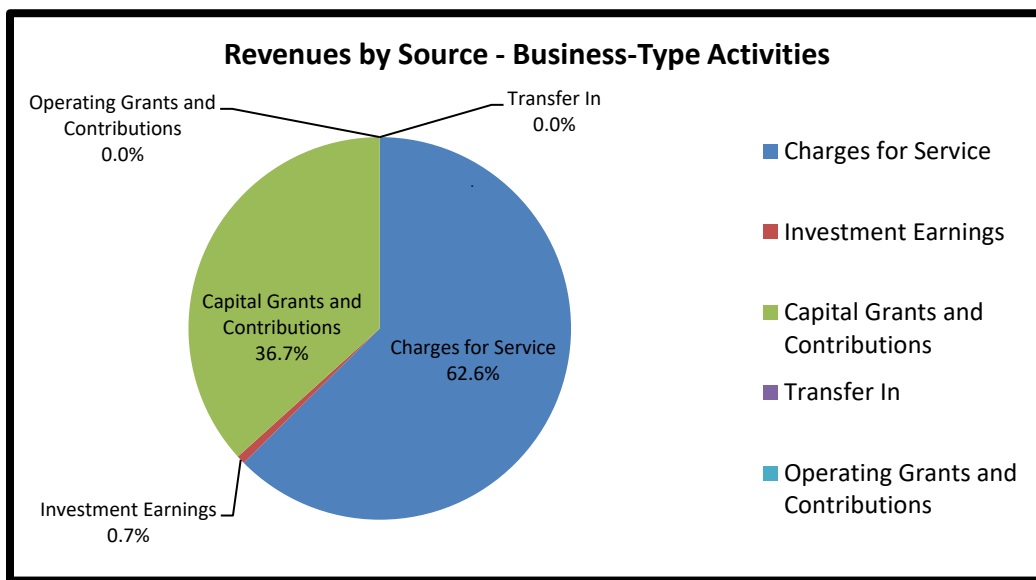
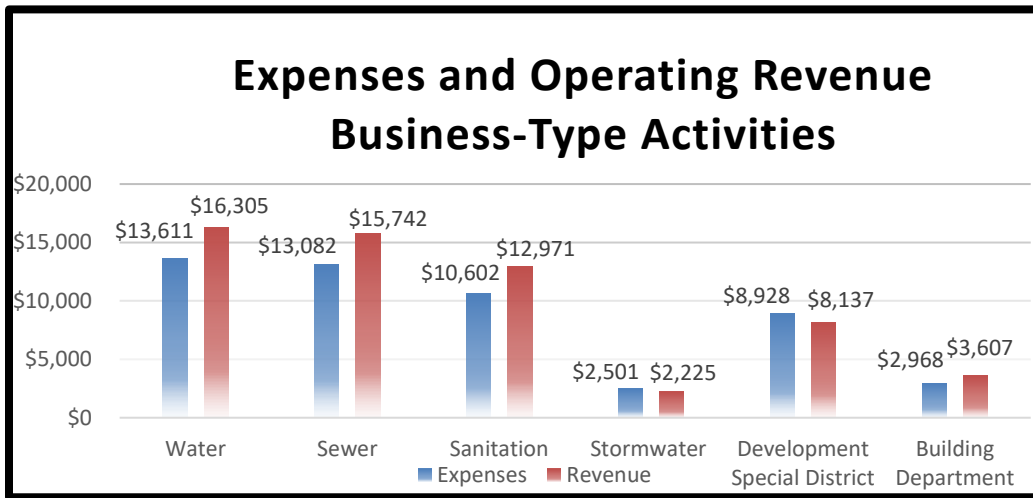
MANAGEMENT’S DISCUSSION AND ANALYSIS



Business-Type Activities

Net position of the City’s business-type activities showed an increase of \$40.6 million from the amounts previously reported at the end of fiscal year 2020. This change is attributable primarily to a steady increase in service area covered producing 62.6% of the revenue or \$59.4 million from charges for services. Consistently, there was an increase of \$10.5 million in capital grants and contributions having a blended effect of the economy awakening from the somber of the global pandemic increasing development and overall economic activity. Note that while sizeable in impact, this may continue to fluctuate as the economy stabilizes in this revenue stream; as the second largest revenue contributor of \$34.6 million or 36.7% of the overall. Total operating expenses for the business-type activities increased by \$2.5 million directly resulting from increased operational activity. The following graph provides an analysis of the City’s business-type activity expenses by function:

MANAGEMENT’S DISCUSSION AND ANALYSIS



Financial Analysis of the City’s Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

As of the end of fiscal year 2021, the City’s *governmental funds* reported combined ending fund balances of \$72.0 million, an increase of \$8.8 million from the prior year. Total governmental revenue of \$66.6 million increased \$12.9 million from the previous year, primarily due to increases in all major revenue sources. Total governmental expenditures showed an increase of \$13.4 million. This increase occurred in nearly all governmental expenditure categories.

The general governmental fund balances of \$72.0 million are available for spending, subject to regulatory, statutory, and budgetary restrictions. Of the available balance, \$6.9 million or 9.6% is unassigned; the remainder of the fund balance is non-spendable or restricted and not available for new spending because the funds have already been committed by law or covenant. Major commitments for specific purposes are as follows:

MANAGEMENT'S DISCUSSION AND ANALYSIS

- \$1.1 million for Community Redevelopment
- \$16.5 million for Transportation
- \$37.0 million for Capital Additions

The **General Fund** is the City's major governmental fund. As of September 30, 2021, its fund balance was \$15.5 million with \$6.9 million of that unassigned. General Fund revenue budgeted for fiscal year 2021 was \$34.5 million in the original budget and \$36.1 million in the final budget (excluding transfers), with actual revenue received of \$33.4 million. General Fund actual expenditures were \$9.9 million less than the final budget. As a result of continued prudent spending strategy as spending was cadenced in response to the reduction in services provided due to the global pandemic of COVID-19. Additional revenues were facilitated by sustainable economic activity; the fiscal year 2021 ended with a net increase in fund balance of \$1.9 million.

The **OUC/St. Cloud Inter-Local Fund** is an agreement with the Orlando Utility Commission (OUC) to manage the City's electric utility and calls for annual revenue based payments to the City equal to 9.5% of sales, and such funds can be used for any legally authorized purpose. For the fiscal year 2021, the OUC fund balance had a net increase of \$353.4 thousand and reported an ending fund balance of \$1.3 million.

- \$1.3 million assigned for Economic Development

The **Mobility Impact Fee Fund** was added in May of 2017 by Ordinance. Mobility fees act as traffic impact fees but, with more flexibility to include other projects other than road capacity. As of September 30, 2021, the Mobility Impact Fee Fund balance was \$15.7 million. Net change in fund balance was reported at (\$470.9) thousand. Revenue was at a shortfall of budget by \$470.9 thousand; this was due to the pace of revenue timing and recording.

- \$15.7 million restricted for Mobility Projects in alignment with Master Plans.

The **One Percent Surcharge Fund** is collected from a County-wide one percent local sales tax on the first \$5,000.00 of a retail transaction. As of September 30, 2021, the One Percent Surcharge Fund balance was \$2.8 million. The fund balance decreased \$440.1 thousand from the prior year fund balance.

- \$2.8 million restricted for Capital Projects

Proprietary Funds

The City's Proprietary Funds generate revenues and expenses that are shown as business-type activities in the government-wide financial statements. At the fund level, Proprietary Funds have an unrestricted net position of \$23.0 million (excluding the Stevens Plantation fund, which has an unrestricted \$3.5 million deficit). Of this amount, the Water Fund has \$5.2 million, the Sewer Fund has \$8.9 million, the Sanitation Fund has \$2.4 million, and the Storm Water Fund has \$2.3 million.

There was an increase in the total net position of the Business-Type Funds of \$40.6 million in the current fiscal year, attributable to the Water and Sewer Funds investing operating income in capital improvements and capital contributions by private developers. Moreover, the overall net position (excluding net investment in capital assets) represents a \$30.8 million increase from the amount previously reported in the prior year, due to increased capital contributions by private developers and income from charges for services.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Internal Service Funds (a category of the City's proprietary funds) are an accounting device used to accumulate and allocate costs internally among some of the City's various functions. At the fund level, they have a total net position of \$1.9 million in the current fiscal year as compared to \$3.5 million reported at the end of fiscal year 2020. This reflects adjustments made in rates and other measures enacted to allow these funds to recover the cost of services they provide.

General Fund Budgetary Highlights

The General Fund original budget was amended to increase expenditures (excluding transfers) by \$3.2 million. Estimated revenues were increased by \$1.6 million when compared to the original budget. Budget changes between the original and final budgets are summarized below:

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual
General Fund

	Original	Final	Variance	Actual	Variance
Revenues					
Taxes	\$ 18,124,942	\$ 18,124,942	\$ -	\$ 18,124,880	\$ (62)
Permits and Fees	2,165,413	2,165,413	-	2,745,100	579,687
Grants	5,811,461	5,811,461	-	5,612,187	(199,274)
Intergovernmental Revenues	4,527,713	4,527,713	-	4,821,235	293,522
Charges for Services	116,862	116,862	-	186,650	69,788
Fines and Forfeitures	903,117	2,493,275	1,590,158	1,262,213	(1,231,062)
Investment Income	217,934	217,934	-	165,096	(52,838)
Other Revenue	2,681,059	2,681,059	-	439,212	(2,241,847)
Total Revenues	<u>34,548,501</u>	<u>36,138,659</u>	<u>1,590,158</u>	<u>33,356,573</u>	<u>(2,782,086)</u>
Expenditures					
City Council	492,533	798,621	306,088	519,300	279,321
City Manager	1,382,493	1,561,322	178,829	937,871	623,451
City Clerk	913,863	983,433	69,570	566,584	416,849
Human Resources	896,744	923,744	27,000	625,207	298,537
Finance	1,429,309	1,578,670	149,361	1,050,541	528,129
Procurement	843,728	872,103	28,375	253,103	619,000
Information Technology	1,698,857	1,934,927	236,070	1,242,501	692,426
Planning/Zoning	1,512,575	1,884,978	372,403	1,258,178	626,800
Building Maintenance	1,643,219	1,592,122	(51,097)	832,496	759,626
Police	16,984,936	17,802,693	817,757	16,998,126	804,567
Fire	11,122,261	11,075,674	(46,587)	10,209,005	866,669
Public Works	2,751,208	2,817,954	66,746	1,806,414	1,011,540
Parks and Recreation	5,363,820	5,339,961	(23,859)	4,484,741	855,220
Capital Outlay	989,145	2,052,590	1,063,445	549,678	1,502,912
Total Expenditures	<u>\$ 48,024,691</u>	<u>\$ 51,218,792</u>	<u>\$ 3,194,101</u>	<u>\$ 41,333,745</u>	<u>\$ 9,885,047</u>

The changes for expenditures within functions:

- There was an \$817.8 thousand Police Department increase for salaries and pension to cover increased costs due to overtime usage.
- The Capital Projects increase was primarily due to \$1.1 million for City Hall Atrium, Illinois and Kentucky project and grant funding related to the Downtown revitalization.
- Information Technology was allocated an additional \$236.1 thousand for salaries in response to transition due to retirement as well as increased cost in industry salaries. Part-time personnel were used as well as temporary services and consultative firms during shortages.
- City Council salary/benefit funding was increased by \$306.1 thousand for the Operational response of recreation and transportation projects that had critical service's needs.

MANAGEMENT'S DISCUSSION AND ANALYSIS

General Fund Budgetary Highlights

The changes in the revenue budget during the year are based on either new or improved information or estimates of unforeseen events. The primary changes between the original and final budget are as follows:

- Taxes: Estimated tax collections were revised upward for increased collections in ad valorem taxes, utility taxes, and higher state sales tax revenue sharing than originally projected.
- Permits, Fees and Charges for Services budgets were revised upwards to reflect both increased activity during the period and rate adjustments made to match the fees charged by the County and neighboring cities.

Capital Assets and Debt Administration

Capital Assets

The City's capital assets for its governmental and business-type activities as of September 30, 2021, are \$386.8 million (net of accumulated depreciation).

Capital assets include land, buildings, improvements other than buildings, intangible assets, infrastructure, machinery and equipment, and construction in progress and the change in each category are shown in the table below. Assets other than land and construction in progress are depreciable for the current year.

Within governmental activities, the largest increases from the beginning balances were in Infrastructure for \$2.1 million, Buildings and Improvements for \$2.1 million, Equipment for \$3.3 million, and an increase of \$3.7 million in Construction in Progress. These capital assets include land, software, buildings, improvements other than buildings (including leasehold improvements), equipment, vehicles, infrastructure, and construction in progress.

Factors attributing included Building Improvements design and re-design projects, software implementation of OpenGov, Building permit IVR upgrade and set up fees, as well as Trakit program cost.

City of St. Cloud's Capital Assets
(in 000's)

	Governmental Activities 2020	Governmental Activities 2021	Business-Type Activities 2020	Business-Type Activities 2021	Total 2020	Total 2021
Land and Improvements	\$ 29,842	\$ 35,292	\$ 2,738	\$ 2,738	\$ 32,580	\$ 38,030
Construction in Progress	4,879	7,072	6,364	8,880	11,243	15,952
Buildings and Improvements	28,582	26,153	35,864	37,957	64,446	64,110
Equipment	8,575	9,221	6,907	7,089	15,482	16,310
Electric Plant	4,584	4,439	-	-	4,584	4,439
Water/Sewer/Sanitation/Storm Water Utility Assets	-	-	188,535	189,443	188,535	189,443
Infrastructure (Roads and Streets)	58,583	58,473	-	-	58,583	58,473
Total	<u>\$ 135,045</u>	<u>\$ 140,650</u>	<u>\$ 240,408</u>	<u>\$ 246,107</u>	<u>\$ 375,453</u>	<u>\$ 386,757</u>

There was an increase in net capital assets in government activities of \$5.6 million, with a corresponding increase of \$5.7 million in business-type assets.

Additionally, depreciation expense was consistent with the prior year. More information regarding capital assets and the net effect on net position can be found in Note 3 page 46.

MANAGEMENT’S DISCUSSION AND ANALYSIS

Long-Term Debt

On September 30, 2021, the City had total long-term liabilities outstanding of \$80.9 million, of which \$72.5 million is from bonds and notes. The remaining outstanding includes the Florida Department of Environmental Protection long-term landfill monitoring requirements (\$1.7 million), compensated absences (\$2.5 million), and other postemployment benefits (OPEB - \$4.2 million). The City’s long-term debt is secured by specified revenue sources (i.e., revenue bonds and notes) or covenants to appropriate annual debt service. The City does not have any general obligation debt which would pledge the full faith and credit of the City. At the end of the fiscal year, the City had total long-term debt outstanding of:

City of St. Cloud's Outstanding Debt						
Revenue Bonds and Notes	Governmental Activities 2020	Governmental Activities 2021	Business-Type Activities 2020	Business-Type Activities 2021	Total 2020	Total 2021
	\$ 39,473,270	\$ 36,402,242	\$ 41,075,092	\$ 36,100,507	\$ 80,548,362	\$ 72,502,749

During this year, as in the prior year, the Stevens Dependent Special District (DSD) debt was in default status. The Stevens DSD debt is past the maturity date and the attorneys for the District and the bondholders are continuing to attempt to work out a settlement that is beneficial to both parties. The DSD Debt ending balance for September 30, 2021, was \$3.6 million which is a reduction of \$876.2 thousand from the previous year’s balance. Additional information on the City’s long-term debt can be found in Note 6 of this report.

Economic Factors and Next Year’s Budgets and Rates

The State of Florida, by constitution, does not have a state personal income tax and, therefore, the State operates primarily using sales, gasoline, and corporate income taxes. Local governments (cities, counties, and school boards) rely primarily on property and a limited array of other permitted taxes (sales, gasoline, and utilities) and fees (franchise, occupational license) to finance governmental activities. For the business-type and certain other governmental activities (construction services and recreational programs), the user pays a related fee or charge associated with the service. In the case of business-type activities, these fees are designed to cover expenses. For some governmental activities, such as recreation, these fees do not provide for full cost recovery and these activities are subsidized by general revenues. Fees for all services are examined and adjusted as needed.

The adopted city-wide budget for fiscal year 2022 is \$170,998,994 million. The adopted budget presented no increase to the ad valorem tax rate as the current fiscal year and the previous eight years of 5.1128 mills. Ad valorem tax collection rates are at a 96% collection rate, and ad valorem tax revenues are budgeted at \$15,274,973 in tax revenue. This positive increase of \$1,580,405 or 12% over the previous fiscal year tax revenues is primarily due to property valuations as well as new construction and improvements to property.

The adopted budget for fiscal year 2021-2022 reflects the City Council’s continued commitment to public safety, recreation, and quality municipal services for its residents and visitors.

Requests for Information

This financial report is designed to provide a general overview of the City’s finances for all those with an interest in the City’s finances.

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of St. Cloud, 1300 Ninth St., St. Cloud, Florida 34769-3399.

The City’s ACFR is also available on-line at www.stcloud.org under Departments – Finance.

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	Governmental Activities	Business- Type Activities	Total
Assets			
Cash and Investments	\$ 77,406,908	\$ 102,489,868	\$ 179,896,776
Receivables, Net	1,830,850	5,650,411	7,481,261
Due from Other Governments	947,191	-	947,191
Internal Balances	(554,997)	554,997	-
Prepaid Expenses and Deposits	1,723,531	104,246	1,827,777
Inventory - Warehouse and Fuel	219,290	861,186	1,080,476
Land Held for Resale	-	1,067,055	1,067,055
Net Pension Asset	3,873,584	3,494,845	7,368,429
Unamortized Bond Insurance Costs	136,854	-	136,854
Capital Assets Not Being Depreciated	42,363,735	11,617,458	53,981,193
Capital Assets, Net of Depreciation	98,286,022	234,489,270	332,775,292
Total Assets	226,232,968	360,329,336	586,562,304
Deferred Outflows of Resources			
Deferred Amount on Refunding	1,310,615	-	1,310,615
Pension Related	7,164,929	1,334,610	8,499,539
OPEB Related	464,548	218,022	682,570
Total Deferred Outflows of Resources	8,940,092	1,552,632	10,492,724
Liabilities			
Accounts and Retainage Payable	3,377,458	2,336,514	5,713,972
Accrued Liabilities	1,912,899	996,952	2,909,851
Unearned Revenue and Deposits	2,672,293	4,906,588	7,578,881
Long-Term Liabilities:			
Due Within One Year	4,489,263	8,465,210	12,954,473
Due in More Than One Year	36,705,463	31,208,254	67,913,717
Net Pension Liability, Due in More Than One Year	10,468,484	-	10,468,484
Total Liabilities	59,625,860	47,913,518	107,539,378
Deferred Inflows of Resources			
Pension Related	8,012,987	2,673,439	10,686,426
OPEB Related	338,329	158,784	497,113
Total Deferred Inflows of Resources	8,351,316	2,832,223	11,183,539
Net Position			
Net Investment in Capital Assets	106,853,944	213,749,760	320,603,704
Restricted for:			
Debt Service	303,376	4,525,840	4,829,216
Capital Projects	35,778,881	68,831,009	104,609,890
Transportation	16,450,205	-	16,450,205
Economic Development	353	-	353
Community Redevelopment	1,125,412	-	1,125,412
Public Safety Initiatives	29,537	-	29,537
Pension	3,873,584	3,494,845	7,368,429
Land Held for Resale	-	1,067,055	1,067,055
Unrestricted	2,780,592	19,467,718	22,248,310
Total Net Position	\$ 167,195,884	\$ 311,136,227	\$ 478,332,111

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities				
General Government	\$ 8,804,811	\$ 1,243,389	\$ 459,058	\$ -
Public Safety	30,294,503	6,207,581	379,066	2,484,094
Transportation	9,201,916	-	-	10,087,137
Parks and Recreation	6,001,879	708,289	312,501	6,337,843
Economic Environment	1,109,065	-	-	-
Electric System	145,079	8,019,487	-	-
Interest and Fees	1,081,340	-	-	-
Total Governmental Activities	<u>56,638,593</u>	<u>16,178,746</u>	<u>1,150,625</u>	<u>18,909,074</u>
Business-Type Activities				
Water Utility	13,610,524	16,305,286	-	13,035,160
Sewer Utility	13,081,821	15,742,020	-	18,444,341
Sanitation Utility	10,601,755	12,970,936	-	530,482
Stormwater Utility	2,500,567	2,225,280	-	2,569,373
Development Special District	8,927,518	8,137,284	-	-
Building Department	2,967,520	3,607,308	-	-
Total Business-Type Activities	<u>51,689,705</u>	<u>58,988,114</u>	<u>-</u>	<u>34,579,356</u>
Total Primary Government	<u>\$ 108,328,298</u>	<u>\$ 75,166,860</u>	<u>\$ 1,150,625</u>	<u>\$ 53,488,430</u>

General Revenues

Taxes:

Property Taxes

Intergovernmental, Unrestricted

Public Service Tax

Local Option Gas Tax

Sales Taxes

Investment Income

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position, Beginning of Year

Net Position, End of Year

The notes to the financial statements are an integral part of the financial statements.

Net (Expense) Revenue and Change in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (7,102,364)	\$ -	\$ (7,102,364)
(21,223,762)	-	(21,223,762)
885,221	-	885,221
1,356,754	-	1,356,754
(1,109,065)	-	(1,109,065)
7,874,408	-	7,874,408
(1,081,340)	-	(1,081,340)
<u>(20,400,148)</u>	<u>-</u>	<u>(20,400,148)</u>
-	15,729,922	15,729,922
-	21,104,540	21,104,540
-	2,899,663	2,899,663
-	2,294,086	2,294,086
-	(790,234)	(790,234)
-	639,788	639,788
-	<u>41,877,765</u>	<u>41,877,765</u>
<u>(20,400,148)</u>	<u>41,877,765</u>	<u>21,477,617</u>
13,576,178	-	13,576,178
6,642,926	-	6,642,926
3,584,035	-	3,584,035
7,570,193	-	7,570,193
226,839	-	226,839
567,682	674,141	1,241,823
265,611	-	265,611
1,943,148	(1,943,148)	-
<u>34,376,612</u>	<u>(1,269,007)</u>	<u>33,107,605</u>
13,976,464	40,608,758	54,585,222
153,219,420	270,527,469	423,746,889
<u>\$ 167,195,884</u>	<u>\$ 311,136,227</u>	<u>\$ 478,332,111</u>

The notes to the financial statements are an integral part of the financial statements.

BALANCE SHEET
ALL GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	OUC					Total Governmental Funds
	General Fund	Interlocal Agreement Fund	Mobility Fees Fund	One Percent Surcharge Fund	Other Governmental Funds	
Assets						
Cash and Investments	\$ 16,708,039	\$ 2,761,557	\$ 24,717,512	\$ 6,382,332	\$ 23,565,926	\$ 74,135,366
Cash with Agent	-	-	-	-	-	-
Customer Receivables, Net	723,835	-	-	-	-	723,835
Other Receivables, Net	1,100,301	-	6,546	-	168	1,107,015
Due from Other Governments	174,446	-	-	642,588	130,157	947,191
Due from Other Funds	-	-	-	-	17,585,984	17,585,984
Prepaid Expenditures and Deposits	1,719,328	-	-	-	4,203	1,723,531
Inventory - Warehouse and Fuel	219,290	-	-	-	-	219,290
Interfund Loan Receivable	1,504,990	-	-	-	-	1,504,990
Total Assets	22,150,229	2,761,557	24,724,058	7,024,920	41,286,438	97,947,202
Liabilities and Fund Balances						
Liabilities						
Accounts and Retainage Payable	1,444,432	-	-	114,085	160,877	1,719,394
Accrued Liabilities	1,873,884	-	-	-	13,615	1,887,499
Due to Other Governments	14,682	-	-	-	-	14,682
Due to Other Funds	1,399,943	-	9,060,732	3,355,283	4,325,023	18,140,981
Unearned Revenues	1,385,079	-	6,546	720,431	15,000	2,127,056
Deposits Payable	545,237	-	-	-	-	545,237
Interfund Loan Payable	-	1,504,990	-	-	-	1,504,990
Total Liabilities	6,663,257	1,504,990	9,067,278	4,189,799	4,514,515	25,939,839
Fund Balances						
Non-Spendable	3,443,608	-	-	-	4,203	3,447,811
Restricted	29,537	-	15,656,780	2,835,121	36,403,966	54,925,404
Assigned	5,053,709	1,256,567	-	-	431,217	6,741,493
Unassigned	6,960,118	-	-	-	(67,463)	6,892,655
Total Fund Balances	15,486,972	1,256,567	15,656,780	2,835,121	36,771,923	72,007,363
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 22,150,229	\$ 2,761,557	\$ 24,724,058	\$ 7,024,920	\$ 41,286,438	\$ 97,947,202

The notes to the financial statements are an integral part of the financial statements.

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

Total Fund Balances of Governmental Funds	\$	72,007,363
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$296,654,284 and the accumulated depreciation is \$156,104,527.		140,649,757
The internal service funds are used by management to charge the costs of fleet management and medical insurance coverage cost to individual funds. The net position of the internal service funds, net of its capital assets included above and pension related accounts, are included in governmental activities in the statement of net position.		1,682,924
Deferred outflows and inflows of resources are not available in the current period and, therefore, are not reported in the governmental funds. Deferred outflows and inflows of resources at year-end consist of:		
Deferred Outflows Related to Pensions		7,164,929
Deferred Outflows Related to OPEB		464,548
Deferred Outflows Related to Bond Refunding		1,310,615
Deferred Inflows Related to Pensions		(8,012,987)
Deferred Inflows Related to OPEB		(338,329)
Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:		
Net Pension Liability		(10,468,484)
Net Pension Asset		3,873,584
Revenue Bonds		(1,180,000)
Revenue Notes		(35,222,242)
Refunding Bond Premium		1,484
Unamortized Bond Insurance Costs		136,854
Accrued Interest Payable		(80,164)
OPEB Liability		(2,844,260)
Compensated Absences		(1,949,708)
Total Net Position of Governmental Activities	\$	167,195,884

The notes to the financial statements are an integral part of the financial statements.

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

	OUC					Total Governmental Funds
	General Fund	Interlocal Agreement Fund	Mobility Fees Fund	One Percent Surcharge Fund	Other Governmental Funds	
Revenues						
Taxes	\$ 18,124,880	\$ -	\$ -	\$ 5,448,921	\$ 1,383,442	\$ 24,957,243
Permits and Fees	2,745,100	-	7,906,214	-	5,130,989	15,782,303
Intergovernmental Revenues	5,612,187	-	-	-	4,706,817	10,319,004
Charges for Service	4,821,235	8,019,487	-	-	-	12,840,722
Fines and Forfeitures	186,650	-	-	-	-	186,650
Grants	1,262,213	-	-	-	75,827	1,338,040
Investment Income	165,096	18,405	161,107	56,317	166,758	567,683
Other Revenue	439,212	-	-	-	193,535	632,747
Total Revenues	33,356,573	8,037,892	8,067,321	5,505,238	11,657,368	66,624,392
Expenditures						
Current:						
General Government	7,282,540	-	-	2,062	480	7,285,082
Public Safety	27,210,373	-	-	41,801	133,996	27,386,170
Transportation	1,806,414	-	1,682,379	-	437,690	3,926,483
Parks and Recreation	4,484,740	-	-	-	-	4,484,740
Economic Environment	-	276,475	-	-	812,332	1,088,807
Capital Outlay	549,678	-	-	2,919,862	9,542,541	13,012,081
Principal Payments	-	-	-	-	3,071,028	3,071,028
Interest and Fees	-	-	-	-	1,031,719	1,031,719
(Total Expenditures)	(41,333,745)	(276,475)	(1,682,379)	(2,963,725)	(15,029,786)	(61,286,110)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,977,172)	7,761,417	6,384,942	2,541,513	(3,372,418)	5,338,282
Other Financing Sources (Uses)						
Transfers In	14,691,757	-	527,484	790,444	17,913,039	33,922,724
Transfers (Out)	(4,816,661)	(7,408,000)	(7,383,293)	(3,784,440)	(7,099,699)	(30,492,093)
Sale of Capital Assets	11,778	-	-	12,437	3,118	27,333
Insurance Recoveries	18,826	-	-	-	-	18,826
Total Other Financing Sources (Uses)	9,905,700	(7,408,000)	(6,855,809)	(2,981,559)	10,816,458	3,476,790
Net Change in Fund Balances	1,928,528	353,417	(470,867)	(440,046)	7,444,040	8,815,072
Fund Balances, Beginning of Year	13,558,444	903,150	16,127,647	3,275,167	29,327,883	63,192,291
Fund Balances, End of Year	\$ 15,486,972	\$ 1,256,567	\$ 15,656,780	\$ 2,835,121	\$ 36,771,923	\$ 72,007,363

The notes to the financial statements are an integral part of the financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

Net Change in Fund Balances - Total Governmental Funds	\$	8,815,072
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This reconciling item is the amount by which capital purchases of \$12,912,081 and capital contributions of \$2,102,636 were less than depreciation expense of \$9,482,228.		5,632,489
Revenues accrued in prior year in the statement of activities due to the economic resource measurement focus but not as revenues in the fund financial statements.		(102,344)
In the statement of activities, only the loss on the sale/disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold/disposed.		(1,662)
The issuance of bonds and similar long-term debt provides current financial resources to governmental funds, and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. Also, governmental funds report the effect of issuance costs, premium, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts of the items that make up these differences in treatment of long-term debt and related items are:		
Principal Payments on Bonds, Notes, Loan, and Capital Lease		3,071,028
Amortization of Bond Insurance Costs		(22,664)
Amortization of Premium		(3,921)
Amortization of Deferred Charge on Refunding		(60,624)
Some expenses reported in the statement of activities, such as compensated absences and accrued interest, do not require the use of current financial resources and are not reported as expenditures in governmental funds:		
Compensated Absences		(228,325)
Accrued Interest on Long-Term Debt		14,924
The net change in the net pension liability and deferred inflows and outflows related to pensions is reported in the statement of activities, but not in the fund statements.		(1,339,919)
The net change in the net OPEB liability and deferred inflows and outflows related to OPEB is reported in the statement of activities, but not in the fund statements.		(145,252)
The internal revenue fund is used by management to charge the costs of activities that benefit the entire government. The net income (expense) of the internal service fund is reported with governmental activities, excluding net income (expense) related to items included in other balances noted above.		(1,652,338)
Change in Net Position of Governmental Activities	\$	<u>13,976,464</u>

The notes to the financial statements are an integral part of the financial statements.

**STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 SEPTEMBER 30, 2021
 CITY OF ST. CLOUD, FLORIDA**

	Business-Type Activities			
	Major Funds			
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 8,036,949	\$ 8,095,897	\$ 1,988,136	\$ 1,251,226
Restricted Assets Available for Current Liabilities	2,817,407	1,795,442	186,158	-
Receivables:				
Customers (Net of Allowance for Uncollectible Accounts)	1,025,550	855,856	997,865	148,026
Unbilled Utility Revenues	990,769	1,048,368	437,137	146,840
Inventories	615,004	244,312	1,870	-
Due from Other Funds	-	-	-	999,943
Prepaid Expenses and Deposits	53,400	9,796	11,600	-
Total Current Assets	13,539,079	12,049,671	3,622,766	2,546,035
Non-Current Assets				
Restricted Cash, Investments, and Accrued Interest:				
Bond Proceeds	159,689	-	-	-
Sinking Fund	3,510,263	-	-	-
Sinking Fund Reserves	-	1,296,251	-	-
Customer Deposits	430,505	361,497	67,667	-
Impact Fee Funds	31,061,346	37,134,482	635,181	-
Landfill Closure Fund	-	-	1,658,873	-
Debt Service Reserves (Current Portion)	(2,817,407)	(1,795,442)	(186,158)	-
Total Restricted Cash, Investments, and Accrued Interest	32,344,396	36,996,788	2,175,563	-
Capital Assets:				
Property, Plant and Equipment (Accumulated Depreciation and Amortization)	127,906,504	201,777,526	12,689,034	47,936,318
Construction in Progress	(49,995,849)	(81,066,897)	(8,248,442)	(14,088,951)
Total Capital Assets, Net	84,777,701	122,723,293	4,440,592	33,847,490
Other Assets:				
Land Held for Sale	-	-	-	-
Net Pension Asset	1,120,738	782,527	744,948	251,263
Total Other Assets	1,120,738	782,527	744,948	251,263
Total Non-Current Assets	118,242,835	160,502,608	7,361,103	34,098,753
Total Assets	\$ 131,781,914	\$ 172,552,279	\$ 10,983,869	\$ 36,644,788
Deferred Outflows of Resources				
Pension Related	\$ 427,987	\$ 298,831	\$ 284,481	\$ 95,952
OPEB Related	73,313	52,096	49,178	18,229
Total Deferred Outflows of Resources	\$ 501,300	\$ 350,927	\$ 333,659	\$ 114,181

The notes to the financial statements are an integral part of the financial statements.

Major Funds	Business-Type Activities		Governmental
	Non-Major Fund		Activities
Stevens Plantation Dependent Special District	Building Department	Total	Internal Service Funds
\$ 429,736	\$ 4,720,710	\$ 24,522,654	\$ 3,271,542
92,584	1,558,876	6,450,467	-
-	-	3,027,297	-
-	-	2,623,114	-
-	-	861,186	-
-	54	999,997	-
-	29,450	104,246	-
<u>522,320</u>	<u>6,309,090</u>	<u>38,588,961</u>	<u>3,271,542</u>
-	-	159,689	-
-	-	3,510,263	-
-	-	1,296,251	-
40,000	1,558,876	2,458,545	-
-	-	68,831,009	-
-	-	1,658,873	-
52,584	-	52,584	-
(92,584)	(1,558,876)	(6,450,467)	-
-	-	71,516,747	-
-	719,278	391,028,660	589,461
-	(401,626)	(153,801,765)	(391,806)
-	-	8,879,833	-
-	<u>317,652</u>	<u>246,106,728</u>	<u>197,655</u>
1,067,055	-	1,067,055	-
-	595,369	3,494,845	119,369
<u>1,067,055</u>	<u>595,369</u>	<u>4,561,900</u>	<u>119,369</u>
<u>1,067,055</u>	<u>913,021</u>	<u>322,185,375</u>	<u>317,024</u>
<u>\$ 1,589,375</u>	<u>\$ 7,222,111</u>	<u>\$ 360,774,336</u>	<u>\$ 3,588,566</u>
\$ -	\$ 227,359	\$ 1,334,610	\$ 45,584
-	25,206	218,022	8,753
<u>\$ -</u>	<u>\$ 252,565</u>	<u>\$ 1,552,632</u>	<u>\$ 54,337</u>

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA
(Concluded)

	Business-Type Activities			
	Major Funds			
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility
Liabilities and Net Position				
Current Liabilities				
Payable from Unrestricted Assets:				
Accounts Payable	\$ 1,531,973	\$ 209,847	\$ 184,017	\$ 12,723
Claims Payable	-	-	-	-
Accrued Liabilities	205,858	157,315	152,526	47,809
Due to Other Funds	180,000	265,000	-	-
Compensated Absences	167,851	64,225	80,729	-
Unearned Revenue	2,446,471	1,572	-	-
OPEB Liability	73,313	52,096	49,178	18,229
Long-Term Liabilities Payable in One Year	-	657,146	-	-
Total Payable from Unrestricted Assets	4,605,466	1,407,201	466,450	78,761
Payable from Restricted Assets:				
Accrued Interest Payable	142,980	137,694	-	-
Deposits	430,505	361,497	67,667	-
Long-Term Liabilities Payable in One Year	2,243,922	1,296,251	118,491	-
Total Payable from Restricted Assets	2,817,407	1,795,442	186,158	-
Total Current Liabilities	7,422,873	3,202,643	652,608	78,761
Non-Current Liabilities				
Long-Term Liabilities Payable After One Year	16,951,258	11,368,080	1,540,382	-
OPEB Liability	375,554	266,869	251,922	93,381
Compensated Absences	111,900	42,816	53,819	-
Total Non-Current Liabilities	17,438,712	11,677,765	1,846,123	93,381
Total Liabilities	24,861,585	14,880,408	2,498,731	172,142
Deferred Inflows of Resources				
Pension Related	857,327	598,607	569,860	192,208
OPEB Related	53,393	37,941	35,816	13,276
Total Deferred Inflows of Resources	910,720	636,548	605,676	205,484
Net Position				
Net Investment in Capital Assets	65,742,210	109,401,816	4,440,592	33,847,490
Restricted for:				
Debt Service	3,367,283	1,158,557	-	-
Capital Projects	31,061,346	37,134,482	635,181	-
Pension	1,120,738	782,527	744,948	251,263
Land Held for Resale	-	-	-	-
Unrestricted	5,219,332	8,908,868	2,392,400	2,282,590
Total Net Position	\$ 106,510,909	\$ 157,386,250	\$ 8,213,121	\$ 36,381,343

The notes to the financial statements are an integral part of the financial statements.

Business-Type Activities			Governmental Activities
Major Funds	Non-Major Fund		
Stevens Plantation Dependent Special District	Building Department	Total	Internal Service Funds
\$ 204,637	\$ 31,905	\$ 2,175,102	\$ 900,845
161,412	-	161,412	662,373
-	100,186	663,694	25,400
-	-	445,000	-
-	34,724	347,529	12,784
-	-	2,448,043	-
-	25,206	218,022	8,753
3,583,849	-	4,240,995	-
<u>3,949,898</u>	<u>192,021</u>	<u>10,699,797</u>	<u>1,610,155</u>
52,584	-	333,258	-
40,000	1,558,876	2,458,545	-
-	-	3,658,664	-
<u>92,584</u>	<u>1,558,876</u>	<u>6,450,467</u>	<u>-</u>
<u>4,042,482</u>	<u>1,750,897</u>	<u>17,150,264</u>	<u>1,610,155</u>
-	-	29,859,720	-
-	129,123	1,116,849	44,840
-	23,150	231,685	8,522
-	152,273	31,208,254	53,362
<u>4,042,482</u>	<u>1,903,170</u>	<u>48,358,518</u>	<u>1,663,517</u>
-	455,437	2,673,439	91,313
-	18,358	158,784	6,375
-	473,795	2,832,223	97,688
-	317,652	213,749,760	197,655
-	-	4,525,840	-
-	-	68,831,009	-
-	595,369	3,494,845	119,369
1,067,055	-	1,067,055	-
<u>(3,520,162)</u>	<u>4,184,690</u>	<u>19,467,718</u>	<u>1,564,674</u>
<u>\$ (2,453,107)</u>	<u>\$ 5,097,711</u>	<u>\$ 311,136,227</u>	<u>\$ 1,881,698</u>

The notes to the financial statements are an integral part of the financial statements.

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021
 CITY OF ST. CLOUD, FLORIDA**

	Business-Type Activities				
	Major Funds				
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility	Stevens Plantation Dependent Special District
Operating Revenues					
Charges for Services	\$ 13,886,322	\$ 14,691,567	\$ 12,717,498	\$ 2,224,732	\$ -
Other	2,418,964	1,050,453	253,438	386,008	8,137,284
Total Operating Revenues	16,305,286	15,742,020	12,970,936	2,610,740	8,137,284
Operating Expenses					
Personnel Service	3,675,301	2,686,549	2,683,578	816,503	-
Materials and Supplies	1,743,547	412,819	744,129	59,127	-
Other Services and Charges	2,310,861	3,024,059	1,717,991	308,174	-
Contractual Services	1,332,243	402,973	4,885,506	29,694	-
Claims	-	-	-	-	-
Cost of Land Sales	-	-	-	-	8,689,739
Depreciation	4,054,625	6,186,691	766,125	1,310,319	-
(Total Operating Expenses)	(13,116,577)	(12,713,091)	(10,797,329)	(2,523,817)	(8,689,739)
Operating Income	3,188,709	3,028,929	2,173,607	86,923	(552,455)
Non-Operating Revenues (Expenses)					
Investment Income	288,755	306,824	18,645	6,824	-
Gain (Loss) on Sale of Capital Assets	25,918	(1,848)	195,640	23,250	-
Interest Expense	(519,865)	(366,882)	(66)	-	(237,779)
Total Non-Operating Revenues (Expenses)	(205,192)	(61,906)	214,219	30,074	(237,779)
Income Before Contributions and Transfers	2,983,517	2,967,023	2,387,826	116,997	(790,234)
Contributions and Transfers					
Capital Contributions	13,035,160	18,444,341	530,482	2,183,913	-
Transfers from Other Funds	1,472,599	94,182	198,075	1,064,036	-
Transfers to Other Funds	(2,492,969)	(1,176,436)	(1,003,266)	(471,296)	350,000
Total Contributions and Transfers	12,014,790	17,362,087	(274,709)	2,776,653	350,000
Change in Net Position	14,998,307	20,329,110	2,113,117	2,893,650	(440,234)
Net Position					
Beginning of Year	91,512,602	137,057,140	6,100,004	33,487,693	(2,012,873)
End of Year	\$ 106,510,909	\$ 157,386,250	\$ 8,213,121	\$ 36,381,343	\$ (2,453,107)

The notes to the financial statements are an integral part of the financial statements.

Business-Type Activities		Governmental Activities	
Non-Major Fund			
Building Department	Total	Internal Service Funds	
\$ 3,368,674	\$ 46,888,793	\$ 8,769,141	
238,634	12,484,781	205,466	
<u>3,607,308</u>	<u>59,373,574</u>	<u>8,974,607</u>	
1,743,173	11,605,104	452,109	
46,791	3,006,413	33,509	
691,392	8,052,477	1,823,719	
387,108	7,037,524	480,729	
-	-	6,346,516	
-	8,689,739	-	
99,056	12,416,816	34,604	
<u>(2,967,520)</u>	<u>(50,808,073)</u>	<u>(9,171,186)</u>	
<u>639,788</u>	<u>8,565,501</u>	<u>(196,579)</u>	
53,093	674,141	28,639	
-	242,960	-	
<u>-</u>	<u>(1,124,592)</u>	<u>-</u>	
<u>53,093</u>	<u>(207,491)</u>	<u>28,639</u>	
<u>692,881</u>	<u>8,358,010</u>	<u>(167,940)</u>	
-	34,193,896	-	
21,927	2,850,819	12,517	
-	(4,793,967)	(1,500,000)	
<u>21,927</u>	<u>32,250,748</u>	<u>(1,487,483)</u>	
714,808	40,608,758	(1,655,423)	
<u>4,382,903</u>	<u>270,527,469</u>	<u>3,537,121</u>	
<u>\$ 5,097,711</u>	<u>\$ 311,136,227</u>	<u>\$ 1,881,698</u>	

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	Business-Type Activities			
	Major Funds			
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 13,734,738	\$ 14,479,835	\$ 12,379,728	\$ 2,232,664
Cash Paid to Suppliers for Goods and Services	(6,332,497)	(3,947,475)	(7,314,891)	(302,163)
Cash Paid to Employees for Services	(3,811,513)	(2,773,468)	(2,762,643)	(860,790)
Cash Paid for Post-Closure Costs	-	-	(100,051)	-
Other Operating Revenues	2,418,964	1,050,453	253,438	386,008
Net Cash Provided by (Used in) Operating Activities	6,009,692	8,809,345	2,455,581	1,455,719
Cash Flows from Non-Capital Financing Activities				
Transfers from Other Funds	1,472,599	94,182	198,075	1,064,036
Transfers to Other Funds	(2,492,969)	(1,176,436)	(1,003,266)	(1,471,239)
Interfund Loan Payments	-	-	-	-
Net Cash Provided by (Used in) Non-Capital Financing Activities	(1,020,370)	(1,082,254)	(805,191)	(407,203)
Cash Flows from Capital and Related Financing Activities				
Property, Plant and Equipment Acquisitions	(1,117,165)	(3,602,475)	(451,034)	(496,617)
Impact Fees	9,855,329	12,665,072	-	-
Landfill Closure Costs	-	-	(97,415)	-
Principal Payments on Debt	(2,188,458)	(1,909,977)	-	-
Interest Payments on Debt	(553,132)	(358,126)	(66)	-
Proceeds from the Sale of Assets	25,918	131	195,640	23,250
Net Cash Provided by (Used in) Capital and Related Financing Activities	6,022,492	6,794,625	(352,875)	(473,367)
Cash Flows from Investing Activities				
Investment Income	288,755	306,824	18,645	6,824
Net Cash Provided by (Used in) Investing Activities	288,755	306,824	18,645	6,824
Net Increase (Decrease) in Cash and Cash Equivalents	11,300,569	14,828,540	1,316,160	581,973
Cash and Cash Equivalents, Beginning of Year	31,898,183	32,059,587	3,033,697	669,253
Cash and Cash Equivalents, End of Year	\$ 43,198,752	\$ 46,888,127	\$ 4,349,857	\$ 1,251,226

The notes to the financial statements are an integral part of the financial statements.

Business-Type Activities			Governmental Activities
Major Funds	Non-Major Fund		
Stevens Plantation Dependent Special District	Building Department	Total	Internal Service Funds
\$ 7,912,284	\$ 2,785,975	\$ 53,525,224	\$ 8,974,473
(6,730,881)	(1,196,698)	(25,824,605)	(8,962,939)
-	(1,816,003)	(12,024,417)	(455,265)
-	-	(100,051)	-
-	238,634	4,347,497	-
<u>1,181,403</u>	<u>11,908</u>	<u>19,923,648</u>	<u>(443,731)</u>
350,000	21,927	3,200,819	12,517
-	(368,634)	(6,512,544)	(1,500,000)
-	-	-	(914)
<u>350,000</u>	<u>(346,707)</u>	<u>(3,311,725)</u>	<u>(1,488,397)</u>
-	(193,243)	(5,860,534)	(8,342)
-	-	22,520,401	-
-	-	(97,415)	-
(876,151)	-	(4,974,586)	-
(526,285)	-	(1,437,609)	-
-	-	244,939	-
<u>(1,402,436)</u>	<u>(193,243)</u>	<u>10,395,196</u>	<u>(8,342)</u>
-	53,093	674,141	28,639
-	53,093	674,141	28,639
128,967	(474,949)	27,681,260	(1,911,831)
<u>393,353</u>	<u>6,754,535</u>	<u>74,808,608</u>	<u>5,183,373</u>
<u>\$ 522,320</u>	<u>\$ 6,279,586</u>	<u>\$ 102,489,868</u>	<u>\$ 3,271,542</u>

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA
(Concluded)

	<u>Business-Type Activities</u>			
	<u>Major Funds</u>			
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Sanitation Utility</u>	<u>Stormwater Utility</u>
<u>Reconciliation of Cash and Cash Equivalents to Statement of Net Position</u>				
Total Unrestricted Cash and Investments Per the Statement of Net Position	\$ 8,036,949	\$ 8,095,897	\$ 1,988,136	\$ 1,251,226
Total Current Restricted Cash and Investments Per the Statement of Net Position	2,817,407	1,795,442	186,158	-
Total Non-Current Restricted Cash and Investments Per the Statement of Net Position	32,344,396	36,996,788	2,175,563	-
Cash and Cash Equivalents, End of Year	<u>\$ 43,198,752</u>	<u>\$ 46,888,127</u>	<u>\$ 4,349,857</u>	<u>\$ 1,251,226</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</u>				
Operating Income (Loss)	\$ 3,188,709	\$ 3,028,929	\$ 2,173,607	\$ 86,923
Bad Debt Expense	33,621	25,604	44,603	15,729
Depreciation	4,054,625	6,186,691	766,125	1,310,319
Changes in Assets - Decrease (Increase) and Liabilities - Increase (Decrease):				
Accounts Receivable, Net	(44,095)	(88,075)	(308,217)	18,536
Prepays	1,565	(841)	(10,581)	1,389
Unbilled Utility Revenue	(154,330)	(149,999)	(31,667)	(10,604)
Inventories	(304,595)	(67,182)	(1,651)	-
Accounts and Retainage Payable	(676,437)	(65,205)	(99,687)	77,714
Customer Deposits	46,841	26,342	2,114	(384)
Compensated Absences	22,168	19,323	17,530	-
Net Pension Liability	(177,168)	(110,180)	(97,393)	(29,476)
Other Postemployment Benefits	17,775	(709)	(10,381)	(14,427)
Land Held for Sale	-	-	-	-
Accrued Liabilities	1,013	4,647	11,179	-
Net Cash Provided by (Used in) Operating Activities	<u>\$ 6,009,692</u>	<u>\$ 8,809,345</u>	<u>\$ 2,455,581</u>	<u>\$ 1,455,719</u>
<u>Schedule of Non-Cash Capital and Related Financing Activities</u>				
Contributions of Capital Assets	<u>\$ 3,179,831</u>	<u>\$ 5,779,269</u>	<u>\$ 530,482</u>	<u>\$ 2,183,913</u>

The notes to the financial statements are an integral part of the financial statements.

Business-Type Activities			Governmental Activities
Major Funds	Non-Major Fund		
Stevens Plantation Dependent Special District	Building Department	Total	Internal Service Funds
\$ 429,736	\$ 4,720,710	\$ 24,522,654	\$ 3,271,542
92,584	1,558,876	6,450,467	-
-	-	71,516,747	-
<u>\$ 522,320</u>	<u>\$ 6,279,586</u>	<u>\$ 102,489,868</u>	<u>\$ 3,271,542</u>
\$ (552,455)	\$ 639,788	\$ 8,565,501	\$ (196,579)
-	4,261	123,818	134
-	99,056	12,416,816	34,604
-	(4,261)	(426,112)	(134)
-	(23,974)	(32,442)	1,644
-	-	(346,600)	-
-	-	(373,428)	-
(550,194)	(51,694)	(1,365,503)	(280,244)
(225,000)	(578,438)	(728,525)	-
-	(3,457)	55,564	3,085
-	(110,015)	(524,232)	10,143
-	28,952	21,210	(18,684)
2,509,052	-	2,509,052	-
-	11,690	28,529	2,300
<u>\$ 1,181,403</u>	<u>\$ 11,908</u>	<u>\$ 19,923,648</u>	<u>\$ (443,731)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,673,495</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of the financial statements.

**STATEMENT OF NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

	Employee Retirement Funds
Assets	
Cash and Cash Equivalents	\$ 5,711,355
Investments at Fair Value:	
Domestic Equities	60,752,022
Foreign Equities	22,838,661
Domestic Fixed Income Funds	38,736,337
Foreign Fixed Income	3,953,921
Non-Core Fixed Income	980,360
Real Estate	13,396,105
Alternatives	5,878,066
Total Investments at Fair Value	146,535,472
Total Assets	152,246,827
Net Position	
Restricted for Pensions	\$ 152,246,827

The notes to the financial statements are an integral part of the financial statements.

**STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

	Employee Retirement Funds
Additions	
Contributions:	
Employer	\$ 5,979,656
Employer from State	737,830
Employee	743,456
Miscellaneous	2,620
Total Contributions	7,463,562
Investment Income:	
Investment Earnings	20,399,978
Dividend Income	2,930,353
Total Income on Investments	23,330,331
Total Additions	30,793,893
Deductions	
Pension Payments	5,529,465
DROP Distribution	57,885
Refunds to Employees	1,055,552
Administration	800,795
(Total Deductions)	(7,443,697)
Net Increase	23,350,196
Net Position Restricted for Pensions	
Beginning of Year	128,896,631
End of Year	\$ 152,246,827

The notes to the financial statements are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

Note 1 - Description of Funds and Summary of Significant Accounting Policies

The financial statements for the City of St. Cloud (the City) have been prepared in conformity with generally accepted accounting principles (U.S. GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant City accounting policies are described below.

Reporting Entity

The City of St. Cloud, County of Osceola, State of Florida, is the City's official name. The City was originally established under the laws of the State of Florida in 1911. In 1967, the City adopted its current charter by legal authority of Sp. Acts, Chapter 65-2166, Section 1.02 of the Florida Statutes.

The City operates under a council-manager form of government and provides the following services, as authorized by its charter: public safety, public works, public utilities, culture, recreation, and community development.

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's Governing Board and: 1) it is able to impose its will on the organization, or 2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Management determined that the Stevens Plantation Improvement Project Dependent Special District and the Community Redevelopment Agency are component units that should be included in the City's financial statements.

Stevens Plantation Improvement Project Dependent Special District (the DSD)

The DSD was created by the City on August 21, 2003, via City Ordinance 2003-47, pursuant to Section 189.4041 of the Florida Statutes. The purpose of the DSD is to acquire land within its geographical boundary from the proceeds of tax-exempt debt for resale to developers in association with the Stevens Plantation Development (a mixed-use, master planned community encompassing approximately 590 acres within the City). The City Council serves as the Governing Board of the DSD and has advanced certain costs to the DSD as of September 30, 2021, that are to be repaid in future years. The DSD is included as a blended component unit in the accompanying government-wide financial statements of the City.

Community Redevelopment Agency (CRA)

The CRA was created pursuant to Chapter 163, Florida Statutes, City Ordinance 2005-78, and City Resolutions 2005-174R, 2005-175R, and 2005-178R. The City Council serves as the CRA Board, and the City maintains operational responsibility for the CRA's activity. Although legally separate, the CRA is appropriately blended as a governmental fund type component unit into the primary government. Separate financial statements are issued for the CRA and can be obtained from the City's Office of Budget and Finance.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Except for nominal amounts, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements provided for governmental funds, proprietary funds, and fiduciary funds are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments for services provided and other charges between the City's water, sewer, sanitation and stormwater functions, and various other functions of the government. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Charges for internally dedicated resources are reported as general revenues, rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City operates the following major governmental funds:

- The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The **St. Cloud/OUC Interlocal Agreement Fund** accounts for the restricted and unrestricted resources associated with the City's agreement with Orlando Utilities Commission (the OUC) to operate the City's electric system.
- The **Mobility Fees Fund** accounts for fees collected from the City's mobility fee ordinance to be spent to increase the capacity of or provide new roads, pedestrian walkways, or trails.
- The **One Percent Surcharge Fund** accounts from a county-wide one percent local sales tax on the first \$5,000 of a retail transaction. The City receives 9.5% of the revenue collected in Osceola County after the School Board receives its portion.

The City reports the following major proprietary funds:

- The **Water Utility Fund** accounts for the fiscal activity of providing water services to residential and commercial customers.
- The **Sewer Utility Fund** accounts for the fiscal activity of providing wastewater services to residential and commercial customers.
- The **Sanitation Utility Fund** accounts for the operations and maintenance of the City's solid waste collection system.
- The **Stormwater Utility Fund** accounts for the operations, improvements, and maintenance of the storm drainage system.
- The **Stevens Plantation Dependent Special District** accounts for the acquisition of land within the DSD's geographical boundary from the proceeds of tax-exempt debt for resale to developers in association with the Stevens Plantation Development.

Additionally, the City reports the following fund types:

- The **Special Revenue Funds** account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes.
- The **Capital Projects Fund** accounts for the costs of constructing multiyear road paving, drainage, resurfacing, recreation facilities, and public building construction and renovation.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

- The **Debt Service Fund** accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
- The **Internal Service Funds** are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses Internal Service Funds to account for its fleet maintenance operations and self-insurance (health and workers' compensation) programs.
- The **Pension Trust Funds** account for the activities of the City's General Employees, Police Officers, and Firefighters Retirement Systems, which accumulate resources for pension benefit payments to qualified retiring employees. They are excluded from the government-wide financial statements because they are fiduciary in nature and do not represent resources available to the City for operations.

The City conforms all significant accounting policies to U.S. GAAP applicable to governmental units. The following is a summary of the more significant principles and practices used in the preparation of these financial statements:

Proprietary Funds

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and of the City's Internal Service Funds are charges to customers for sales and services. Operating expenses for enterprise funds and the Internal Service Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to generally use restricted resources first, then unrestricted resources as they are needed for their intended purposes; however, this decision is frequently made on a case-by-case basis based upon facts and circumstances.

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method state-wide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The millage rate assessed by the City for the fiscal year ended September 30, 2021, was 5.1128 mills.

Property taxes are billed and collected within the same fiscal period and are reflected on the modified accrual basis. Ad valorem taxes on property values have a lien assessment and due date of January 1, with the millage established during September. The fiscal year for which taxes are levied begins October 1. Taxes are billed in November (levied) with a maximum discount available through November 30 and become delinquent April 1. Tax certificates are issued for delinquent taxes on or before June 1. After sale, the tax certificates bear interest of 18% per year, or at any lower rate bid by the buyer. The tax certificate money is then sent to the appropriate taxing agency in accordance with its tax levy to complete its ad valorem tax revenue requirement.

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The City would accrue property tax receivables for unsold certificates if they were measurable and available. However, they are not measurable and available. As a result, there are no property tax receivables at September 30, 2021.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments held outside of the City's pooled cash system (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. All cash and investments held by the pooled cash system are considered cash equivalents for the cash flow statement.

Equity in Pooled Cash and Investments

The City utilizes a pooled cash and investment fund, which allows the various funds of the City to pool monies for investment purposes. Investment earnings are distributed monthly based on average monthly balances. Cash is maintained in an interest-bearing checking account at a local financial institution to maximize earnings on idle cash. The nature of the fund permits temporary negative cash balances upon overdrawing of cash available in individual funds, which are presented as interfund receivables and payables.

Capital Grants and Contributions

Accounts receivable from other governments include amounts due from grantors. Program and capital grants for capital assets are recorded as receivables and revenues at the time reimbursable costs are incurred. Revenues received in advance of costs being incurred are deferred. Capital grants and other contributions for capital asset additions to the proprietary funds are recorded as non-operating revenues. Contributed assets are recorded in the proprietary funds and in general capital assets at acquisition value at the time received.

Inventories and Prepaids

Inventories consist of materials and supplies used in the City's utility and general government operations and are valued using the weighted-average cost method, which approximates market value. The cost of inventories is accounted for by the consumption method, whereby inventory is recorded as expenditure when used. Appropriate allowances are recorded for obsolete and surplus items, when applicable. Payments made to vendors for services that will benefit periods beyond September 30, 2021, are recorded as prepaid items. These payments are recorded as expenditures or expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Property, plant and equipment with initial, individual costs that equal or exceed \$5,000 and estimated useful lives of over one year are recorded as capital assets. Roads, bridges, and sidewalks are capitalized when dedicated to the City within a new development or when their initial costs equal or exceed \$25,000 and possess estimated useful lives of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

NOTES TO FINANCIAL STATEMENTS
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Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of major business-type activities is included as part of the capitalized value of the assets constructed.

Capital asset purchases are recorded as capital outlay expenditures in the fund level governmental funds in the year of acquisition.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	8-40 Years
Utility Line Extensions	15-50 Years
Plant and Equipment	3-20 Years
Meters and Transformers	15-20 Years
Infrastructure	15-50 Years

Proprietary fund expenditures for repairs and maintenance are expensed when incurred. Additions, major renewals, and replacements, which increase the useful lives of the assets, are capitalized.

Compensated Absences

All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

In proprietary funds, the amount of compensated absences associated with employee vacations that are recorded as expenses represent the amounts paid during the year and accrued at year-end. The entire liability for compensated absences of these funds is reflected in the respective financial statements split between the current and non-current portions.

Compensated absences liabilities will be paid by several of the City's funds, including the General Fund, several of the enterprise funds, and the Internal Service Funds. Historically, 75% to 80% of these costs have been paid from the City's governmental funds, with the remaining 20% to 25% paid from its proprietary funds.

Utility Impact Fees

Utility impact fees are recorded as capital contributions and are restricted to expansion of system capacity.

Fund Balance Reporting

The City is presenting the fund balances of the governmental funds in accordance with GASB Statement No. 54. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications under GASB Statement No. 54 are Non-Spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of the funds, but also provide clarity to the level of restriction placed upon fund

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balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. The fund balance classifications are as follows:

Non-Spendable—Includes fund balance amounts that cannot be spent, either because they are not in spendable form or because of legal or contractual requirements. Examples of non-spendable amounts that cannot be used because of their form are long-term portions of loans to other funds, inventories, and prepaid amounts.

Spendable Fund Balance:

- ***Restricted***—Amounts are not available because of legally enforceable constraints, such as money awarded from criminal prosecution, money restricted based on creditors' requirements of loan agreements, and amounts restricted by law or enabling legislation.
- ***Committed***—Amounts of the fund balance are set aside by action of the City Council for a specific purpose and cannot be used for any other purpose (unless there is action by the City Council allowing for such use) and amounts specifically committed for use in satisfying contractual requirements. The City does not have any committed fund balance in the governmental funds.
- ***Assigned***—Amounts of the fund balance are intended to be used for a specific purpose to be made by City management in accordance with the City's established fund balance policy and based on recommendations by the City Council, advisory committees, or the senior management of the City, and also include amounts to be appropriated in the subsequent year budget.
- ***Unassigned***—Amounts of the fund balance will only appear in the General Fund or, if other governmental funds' expenditures are incurred in excess of amounts restricted, committed, or assigned for the purpose, the other governmental funds may have a negative unassigned fund balance.

The City Council established a Fund Balance Policy that required the unassigned fund balance be no less than 12.5% of General Fund operating expenditures. For the spending order of the fund balance, the City uses restricted amounts first, when both restricted and unrestricted fund balance is available, unless there are legal documents/contracts that prohibit this. Additionally, the City would first use committed fund balance, followed by assigned fund balance, and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Budgets and Budgetary Accounting

The annual operating budget serves as legal authorization for expenditures and the proposed means of financing them. The 2021 annual operating budget was prepared for all funds, except the following:

- **Pension Trust Funds**
These funds are not budgeted annually by the City Council.

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The annual operating budgets are prepared on the same basis of accounting as that previously described for each fund. The budget is prepared by the City Manager, detailing all estimated income, including the proposed property tax levy and all proposed expenditures as deemed necessary and desirable. The City Council may adopt the budget, with or without amendment, increasing or decreasing programs or amounts after a public hearing. Adoption of the budget by the City Council constitutes appropriation of the amounts specified as expenditures from the funds indicated and constitutes a levy of the property tax proposed. Budgetary control is legally maintained at the department level.

The City Manager is legally authorized to transfer part or all of the unencumbered appropriation balance within departments without seeking City Council approval. However, the City Manager must obtain approval from the City Council to transfer appropriations between departments or funds. Upon certification from the City Manager of excesses in revenue, the City Council may make supplemental appropriations for the year up to the amount of each excess. Supplemental appropriations were made during the year. If at any time during the year it appears probable to the City Manager that revenues will be insufficient to meet the amount appropriated, he shall notify the City Council who shall then take such further action as it deems necessary to prevent any deficit. Appropriations, except for open project appropriations and encumbrances, lapse at the end of each fiscal year. Contingency amounts may be used for any unforeseen purpose or emergency upon approval of City Council.

Encumbrances outstanding at year-end do not represent expenditures or liabilities under U.S. GAAP but represent budgetary accounting controls that carry over to the next year. All budgets are prepared on a U.S. GAAP basis.

The actual results of operations are presented in accordance with U.S. GAAP, and the City's accounting policies do not recognize encumbrances as expenditures until the period in which the goods or services are actually received and a liability is incurred.

Note 2 - Cash and Cash Equivalents

Pooled Cash and Investments

The City maintains a cash and investment pool that carries substantially all cash and investments of the City and is used by all funds except the pension trust funds. Each fund's portion of the pool is displayed in the accompanying financial statements as "Cash and Investments". The cash and investments of the pension trust funds and agency fund are held separately from those other funds of the City. All cash and investments of the pool are considered cash equivalents for the statement of cash flows.

Cash Deposits

As of September 30, 2021, the City's cash deposits were entirely covered by federal depository insurance or by the banking network provided by Chapter 280 of the Florida Statutes. Florida Statutes provide for collateral pooling by banks and savings and loans and limit local government deposits to "authorized depositories". Therefore, all cash deposits held by banks can be classified as fully insured.

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Investments

The City's investment policy is constructed with the objectives of: (1) preserving and protecting principal; (2) maintaining liquidity; and (3) earning interest on the invested funds, and allows the City to invest surplus money in instruments provided by Florida Statutes 166.261 and 218.415. Among them are U.S. Treasury bills, bonds, notes and their derivatives, federal agency securities, local government surplus trust funds, domestic time deposits, bankers' acceptance notes, commercial paper, repurchase agreements, federal securities trusts, collateralized mortgage obligations, corporate debt, assets-backed securities, taxable and tax-exempt securities, mortgage securities, and mutual funds made up of such securities.

As of September 30, 2021, the City's pooled investments (including pension trust funds) are summarized below:

<u>Investments</u>	<u>Maturities</u>	<u>Fair Value</u>	<u>Rating</u>	<u>FMV Level</u>
Cash and Equivalents		\$ 147,650,840		N/A
U.S. Treasury Obligations	2.66 Year Average	20,948,426	AA+	Level 2
U.S. Government Issues	2.68 Year Average	7,213,689	AA+	Level 2
Corporate Issues	4.29 Year Average	1,683,970	A+	Level 2
State Board of Administration (SBA)				
Florida PRIME	0.14 Year Average	1,937,573	AAAm	N/A
US Bank Money Market Account	0.07 Year Average	462,278	AAAm	N/A
		<u>179,896,776</u>		
Pension Funds:				
Cash and Equivalents		5,711,355		N/A
Domestic Equities		60,752,022		Level 1
Foreign Equities		22,838,661		Level 1
Domestic Fixed Income	6.59 Year Average	38,736,337	AA	Level 2
Foreign Fixed Income	9.27 Year Average	3,953,921	BBB+	Level 2
Non-Core Fixed Income	2.14 Year Average	980,360	Unrated	Level 3
Real Estate Income Funds		13,396,105		Level 3
Alternatives	1.26 Year Average	5,878,066	BB-	Level 1
Total Pension Funds		<u>152,246,827</u>		
Total Investments		<u>\$ 332,143,603</u>		

Cash and Investments Reported in Government-Wide:

Cash	\$ 147,650,840
Investments	<u>32,245,936</u>
Total Cash and Investments Reported in Government-Wide	<u>\$ 179,896,776</u>

Cash and Investments Reported in Fiduciary Funds:

Cash	\$ 5,711,355
Investments	<u>146,535,472</u>
Total Reported in Fiduciary Funds	<u>\$ 152,246,827</u>

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Investments, including derivative instruments that are not hedging derivatives, are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value; Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Debt and equity securities, categorized as Level 1, are valued based on prices quoted in active markets for those securities. Debt securities and certificates of deposit, categorized as Level 2, are valued based on market-corroborated data. Private debt assets, categorized as Level 3, are valued using an independent pricing service or are valued in good faith by the general partner using such factors as financial statements, earnings forecasts, recent transactions in the same or similar securities and valuation information obtained from broker-dealers, recognized quotation services, or independent appraisal firms. Real estate assets, categorized as Level 3, use industry standard valuation approaches, which includes market analysis of comparable properties and/or financial modeling of unobservable inputs based on assumptions that are supported by property level actuals, budgets, internal market research, or periodic appraisals.

Florida PRIME

The City's investments in the Florida Prime Investment Pool (Florida PRIME) is similar to money market funds in which units are owned in the fund rather than the underlying investments. This investment is reported at amortized cost and meets the requirements of GASB Statement No. 31, as amended by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. There is no limitation or restrictions on withdrawals from Florida; although in the occurrence of an event that has a material impact on liquidity or operations of the trust fund, the funds' executive director may limit contributions to or withdrawals from the trust fund for a period of 48 hours.

Credit Risk

U.S. Agencies are rated by Moody's Investors Service and Standard & Poor's. The City's investment policy limits investments in debt securities to the highest rating category by a nationally recognized statistical rating agency for the applicable corresponding maturity. The City's pension investment policy requires 85% of the fixed income securities to have a minimum rating of investment grade or higher as reported by a major credit rating service.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The City's investment policy, pursuant to Section 218,415(18), Florida Statutes, requires securities purchased by the City to be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the City shall be properly designated as an asset of the City. Further, the securities must be held in an account separate and apart from the assets of the financial institution. The City's pension investments are held by the counterparty, not in the name of the City.

NOTES TO FINANCIAL STATEMENTS
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Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The weighted-average maturity of the City's investments is displayed with the fair value of the investments.

The City's investment policy sets limitations on instruments, diversification, and maturity based on whether the funds invested are short term or long term. Investments of current operating funds are considered short term and shall have maturities no longer than twelve (12) months. Investments of reserves and other non-current operating funds shall be considered "core funds" or "surplus funds" and shall have a term appropriate to the need for the funds; however, they shall not exceed five and one-half (5.50) years from the date of settlement. In addition, the weighted average effective duration shall not exceed three (3) years.

Concentration of Credit Risk

■ **Non-Pension Investments**

More than 5% of the City's non-pension investments are in Florida PRIME, United States Treasury Obligations, and the Federal National Mortgage Association (FNMA). These investments are 6.03%, 65.11%, and 17.79%, respectively, of the total non-pension investments of the City.

■ **General Employees' Pension**

More than 5% of the City's General Employees' Pension investments are in Euro Pacific Growth Fund, T Rowe Price Institutional Large Cap Core Growth Fund, Brandywine Global Dynamic US Large Cap Value Fund, Vanguard 500 Index Fund, PIMCO Diversified Income Fund, and Intercontinental Real Estate Corporation. These investments are 15.84%, 11.09%, 11.17%, 6.17%, 6.39%, and 5.23%, respectively, of the total investments for the General Employees' Pension Fund.

■ **Police and Fire Pension**

More than 5% of the City's Police and Fire Pension Investments are in Euro Pacific Growth Fund, T Rowe Price Institutional Large Cap Core Growth Fund, Brandywine Global Dynamic US Large Cap Value fund, Vanguard 500 Index Fund, and PIMCO Diversified Income Fund. These investments are 14.06%, 11.13%, 10.05%, 9.09%, and 7.00%, respectively, of the total investments for the Police and Fire Pension Fund.

Foreign Currency Risk

The pension trust fund investment policies limit foreign investments to no more than 25% of total fund assets for the General Employees' Pension Plan and 25% of total fund assets for the Police and Fire Pension Plan. At September 30, 2021, the General Employees' Pension Plan had \$14,556,404, or 18.32%, of the total fund assets and the Police and Fire Pension Plan had \$12,236,177, or 16.78%, of the total fund assets invested internationally.

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Note 3 - Capital Assets

	Beginning Balance	Increases	(Decreases)	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 12,950,959	\$ 5,450,000	\$ -	\$ 18,400,959
Right-of-Way	16,890,955	-	-	16,890,955
Construction in Progress	4,878,727	3,715,776	(1,522,682)	7,071,821
Total Capital Assets Not Being Depreciated	34,720,641	9,165,776	(1,522,682)	42,363,735
Capital Assets Being Depreciated:				
Buildings and Improvements	77,733,864	2,074,858	(269,279)	79,539,443
Equipment	32,664,216	3,297,470	(1,140,590)	34,821,096
Electric Plant	44,469,187	-	(35,777)	44,433,410
Infrastructure (Roads and Streets)	93,492,898	2,103,702	-	95,596,600
Total Capital Assets Being Depreciated	248,360,165	7,476,030	(1,445,646)	254,390,549
Less Accumulated Depreciation:				
Buildings and Improvements	(49,151,954)	(4,503,952)	269,279	(53,386,627)
Equipment	(24,089,187)	(2,649,480)	1,138,928	(25,599,739)
Electric Plant	(39,884,919)	(145,079)	35,777	(39,994,221)
Infrastructure (Roads and Streets)	(34,909,554)	(2,214,386)	-	(37,123,940)
Total Accumulated Depreciation	(148,035,614)	(9,512,897)	1,443,984	(156,104,527)
Total Capital Assets Being Depreciated, Net	100,324,551	(2,036,867)	(1,662)	98,286,022
Governmental Activities Capital Depreciated, Net	\$ 135,045,192	\$ 7,128,909	\$ (1,524,344)	\$ 140,649,757
Business-Type Activities				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 2,706,584	\$ -	\$ -	\$ 2,706,584
Right-of-Way	31,041	-	-	31,041
Construction in Progress	6,363,675	5,307,191	(2,791,033)	8,879,833
Total Capital Assets Not Being Depreciated	9,101,300	5,307,191	(2,791,033)	11,617,458
Capital Assets Being Depreciated:				
Buildings and Improvements	48,779,267	2,571,014	(7,116)	51,343,165
Water/Sewer/Sanitation Utility Plant	297,011,829	11,147,517	(34,981)	308,124,365
Equipment	27,801,527	1,966,617	(944,639)	28,823,505
Total Capital Assets Being Depreciated	373,592,623	15,685,148	(986,736)	388,291,035
Less Accumulated Depreciation:				
Buildings	(12,914,503)	(473,827)	2,667	(13,385,663)
Water/Sewer/Sanitation Utility Plant	(108,476,907)	(10,209,331)	4,449	(118,681,789)
Equipment	(20,894,959)	(1,733,658)	894,304	(21,734,313)
Total Accumulated Depreciation	(142,286,369)	(12,416,816)	901,420	(153,801,765)
Total Capital Assets Being Depreciated, Net	231,306,254	3,268,332	(85,316)	234,489,270
Total Business-Type Activities Capital Assets, Net	\$ 240,407,554	\$ 8,575,523	\$ (2,876,349)	\$ 246,106,728

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Depreciation Expense - Governmental Activities

General Government and Administration	\$ 461,759
Community Redevelopment Agency	8,279
Public Safety	2,460,614
Transportation	5,141,099
Parks and Recreation	1,265,398
Electric Plant - Interlocal	145,079
Capital Assets Held by the City's Internal Service Funds Charged to the Various Functions Based on Their Usage of the Assets	30,669

Total Depreciation Expense - Governmental Activities \$ 9,512,897

Depreciation Expense - Business-Type Activities

Water Utility	\$ 4,054,625
Sewer Utility	6,186,691
Sanitation Utility	766,125
Stormwater Utility	1,310,319
Building Department	99,056

Total Depreciation Expense - Business-Type Activities \$ 12,416,816

Note 4 - Defined Benefit Pension Plans

Plan Descriptions

The City maintains two separate, single-employer defined-benefit pension plans, one for police officers and firefighters, and a general employees' retirement plan that covers substantially all other full-time City employees. These plans are maintained as pension trust funds and are included as part of the City's reporting entity, using the accrual basis of accounting in accordance with U.S. GAAP. Plan member contributions are recognized in the period in which the contributions are due. Investments are reported at fair value. City ordinance and state law requires contributions to be determined by actuarial studies at least every three years. Stand-alone financial reports are not issued.

Membership of each plan consisted of the following at the date of the latest actuarial valuation, October 1, 2020, for general employees and for police officers and firefighters:

	General	Police Officers and Firefighters
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	157	73
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	238	28
Active Plan Members	336	165
Total	731	266

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General Employees' Retirement Plan

- **Plan Administration**—The General Employees' Retirement Plan (GERP) is a single-employer defined-benefit pension plan administered by a Board of Trustees, which acts as the administrator of the GERP. The Board consists of seven trustees, three of whom shall be legal residents of the City who are appointed by the City Council and four of whom are members of the GERP who are elected by a majority of the general employees who are members of the GERP and who vote in the election.
- **Plan Benefits**—The GERP provides retirement, termination, disability, and death benefits to GERP members and their beneficiaries.

Normal Retirement—Eligibility: Earlier of: 1) Age 60 and five years of Credited Service, or 2) the completion of 30 years of Credited Service, regardless of age.

- Benefit Amount: 3.00% of Average Final Compensation (AFC) times Credited Service.

Early Retirement—Eligibility: Age 55 and five years of Credited Service.

- Benefit Amount: Computed as for Normal Retirement, actuarially reduced to reflect payment prior to age 60.

Disability—Eligibility: Total and permanent disability as determined by the Board of Trustees.

- Benefit Amount: Accrued benefit, actuarially reduced as for Early Retirement.

Pre-Retirement Death Benefits—Eligibility: Total and permanent disability as determined by the Board of Trustees.

- Benefit Amount: Accrued benefit, actuarially reduced as for Early Retirement.

Vesting (Termination)—Less than five years: Refund of Member Contributions. Five years or more: Accrued benefit payable at age 60 or age 55 (reduced), or refund of Member Contributions.

- **Contributions**—The City is required to contribute at an actuarially determined rate, or 10% of the employee's compensation, whichever is greater. GERP members contribute 1.0% of their annual covered salary. Contribution requirements are based upon the normal (current year) cost and amortization of the accrued past service liability as provided in Part VII of Chapter 112, Florida Statutes.

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Police Officers' and Firefighters' Retirement Plan

■ **Plan Administration**—The Police Officers' and Firefighters' Retirement Plan (PFRP) is a single-employer defined-benefit pension plan administered by a Board of Trustees, which acts as the administrator of the PFRP. The Board of Trustees consists of five trustees, two of whom are legal residents appointed by the City Council, one of whom is a full-time police officer member and one of whom is a full-time firefighter member who are elected by a majority of the police officers or firefighters, respectively, who are members of the PFRP and a fifth trustee who is chosen by a majority of the first four trustees.

■ **Plan Benefits**—The PFRP provides retirement, disability, and death benefits to PFRP members and their beneficiaries.

Normal Retirement—Eligibility: Earlier of: 1) Age 55 and ten years of Credited Service, or 2) the completion of 25 years (20 for firefighters) of Credited Service, regardless of age.

- Benefit Amount: Average Final Compensation (AFC) times 3.75% (4.00% for firefighters) times Credited Service plus an additional fraction of 3.75% (4.00% for firefighters) where the numerator is hours of accrued sick leave and the denominator is annual scheduled work hours.

Early Retirement—Eligibility: Age 50 and ten years of Credited Service.

- Benefit Amount: Accrued benefit, reduced 3% for each year that benefit commencement precedes normal retirement.

Disability—Eligibility: Total and permanent disability as determined by the Board of Trustees from date of hire (service incurred) or after ten years of Credited Service (non-service incurred).

- Benefit Amount Service: Unreduced accrued benefit, but not less than 42% of AFC.
- Benefit Amount Non-Service: Unreduced accrued benefit.

Pre-Retirement Death Benefits—Vested: Accrued benefit, payable for ten years beginning at the member's otherwise Early Retirement Date (reduced basis) or Normal Retirement Date (unreduced).

- Non-Vested: Refund of member contributions.

Vesting (Termination)—Less than ten years of Service: Refund of Member Contributions. Ten years or more: Accrued benefit payable at otherwise Normal or Early (reduced) Retirement Date.

Cost of Living Adjustments (COLA)—For Members retiring after September 15, 2016, a 1.00% automatic lifetime COLA, beginning five years after retirement, for all retirees, including normal, DROP, early, line-of-duty disability, and their beneficiaries, but excluding vested terminated and non-duty-related disability retirees.

■ **Contributions**—Plan members are required to contribute 5.55% for police officers and 12.62% of salary for firefighters effective October 9, 2021, of their annual covered salary. The City is required to contribute at actuarially determined rates or 10% of the employee's compensation, whichever is

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greater. Per City Code Section 54.76, the City Council may amend established contribution requirements. Actuarially determined contribution rates are based upon the remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability as provided in Part VII of Chapter 112, Florida Statutes.

Plan Investments

The following was the Board of Trustees' adopted asset allocation policy as of September 30, 2021:

<u>Asset Class</u>	<u>Target Allocation</u>	
	<u>GERP</u>	<u>PFRP</u>
All Cap Value Equity	20%	20%
Broad Growth Equity	20%	20%
International Equity	15%	15%
Fixed Income (Core)	20%	20%
Fixed Income (Non-Core)	5%	5%
Global Bond	5%	5%
Real Estate	10%	10%
GTAA	5%	5%
Total	<u>100%</u>	<u>100%</u>

Concentrations

The plans did not hold investments in any one organization that represent 5% or more of the pension plans' fiduciary net position.

Rate of Return

For the year ended September 30, 2021, the annual money-weighted rate of return on pension plans investments, net of pension plans investment expense, are as follows:

	<u>GERP</u>	<u>PFRP</u>
Rate of Return	18.09%	17.28%

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program (DROP)

When a member reaches normal retirement age, they may elect in writing to participate in the DROP for a maximum of five years. Participants elect to receive a credit equal to the monthly-calculated pension amount plus 6.5% Return On Investment (ROI) per annum, compounded monthly or Net ROI Return (total return net of brokerage commissions, management fees, and transaction costs). The balance of the participants' DROP accounts as of September 30, 2021, for GERP was \$1,267,887 and for PFRP \$419,424.

Net Pension Liability

The components of the net pension liability of the Sponsor on September 30, 2021, were as follows:

	<u>GERP</u>	<u>PFRP</u>
Total Pension Liability	\$ 72,070,529	\$ 83,697,357
Plan Fiduciary Net Position	<u>(79,438,959)</u>	<u>(73,228,873)</u>
Sponsor's Net Pension Liability (Asset)	<u>\$ (7,368,430)</u>	<u>\$ 10,468,484</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)	110.22%	87.49%

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The measurement date for both plans was September 30, 2021. The measurement period and the reporting period for both plans was October 1, 2020 through September 30, 2021. The Sponsor’s Net Pension Liability was measured as of September 30, 2021, which was the same date used for the Total Pension Liability.

Actuarial Assumptions

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2020, using the following actuarial assumptions:

	<u>GERP</u>	<u>PFRP</u>
Investment Rate of Return	7.25%	7.45%
Projected Salary Increases	Service Based	5.75%
Inflation Rate	2.50%	2.50%
Discount Rate	7.25%	7.45%

GERP

Mortality Rate:

Healthy Active Lives:

Female: PubG.H-2010 for Employees

Male: PubG.H-2010 (Below Median) for Employees, set back one year.

Retiree Lives:

Female: PubG.H-2010 for Healthy Retirees

Male: PubG.H-2010 for Healthy Retirees, set back one year.

Beneficiary Lives:

Female: PubG.H-2010 for Healthy Retirees

Male: PubG.H-2010 for Healthy Retirees, set back one year.

Disabled Lives:

PubG.H-2010 for Disabled Retirees, set forward three years.

PFRP

Mortality Rate:

Healthy Active Lives:

Female: PubS.H-2010 (Below Median) for Employees, set forward one year.

Male: PubS.H-2010 (Below Median) for Employees, set back one year.

Retiree Lives:

Female: PubS.H-2010 for Healthy Retirees, set forward one year.

Male: PubS.H-2010 for Healthy Retirees, set forward one year.

Beneficiary Lives:

Female: PubG.H-2010 for Healthy Retirees.

Male: PubG.H-2010 for Healthy Retirees, set back one year.

Disabled Lives:

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates are projected generationally with Mortality Improvement Scale MP-2018.

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman’s July 1, 2020 FRS valuation report for special risk employees, with appropriate risk and collar adjustments made based on plan demographics. We feel this assumption sufficiently accommodates future mortality improvements.

The most recent actuarial experience study used to review the other significant assumptions was dated August 6, 2021.

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Long-Term Expected Rate of Return

The long-term expected rate of return on pension plans investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of September 30, 2021, are summarized in the following table:

	<u>GERP</u>	<u>PFRP</u>
All Cap Value Equity	7.50%	7.50%
Broad Growth Equity	7.50%	7.50%
International Equity	8.50%	8.50%
Fixed Income (Core)	2.50%	2.50%
Fixed Income (Non-Core)	2.50%	2.50%
Global Bond	3.50%	3.50%
Real Estate	4.50%	4.50%
GTAA	3.50%	3.50%

Discount Rate

The discount rate used to measure the total pension liability for GERP and PFRP was 7.25% and 7.45%, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plans investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate Assumption

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
GERP	6.25%	7.25%	8.25%
Sponsor's Net Pension Liability (Asset)	\$ 2,007,259	\$ (7,368,430)	\$ (15,130,816)
PFRP	6.45%	7.45%	8.45%
Sponsor's Net Pension Liability	\$ 21,651,563	\$ 10,468,484	\$ 1,286,508

Changes in Net Pension Liability

The Changes in Net Pension Liability for the GERP are as follows:

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	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (Asset) (a-b)</u>
Reporting Period Ended September 30, 2020	\$ 64,927,467	\$ 67,660,516	\$ (2,733,049)
Change for a Year:			
Service Cost	2,019,461	-	2,019,461
Interest	5,079,659	-	5,079,659
Differences Between Expected and Actual Experience	445,952	-	445,952
Changes of Assumptions	2,403,878	-	2,403,878
Contributions - Employer	-	2,364,184	(2,364,184)
Contributions - Employee	-	155,517	(155,517)
Net Investment Income	-	12,203,562	(12,203,562)
Benefit Payments, Including Refunds of Employee Contributions	(2,805,888)	(2,805,888)	-
Administrative Expense	-	(138,932)	138,932
Reporting Period Ended September 30, 2021	<u>\$ 72,070,529</u>	<u>\$ 79,438,959</u>	<u>\$ (7,368,430)</u>

The difference between Plan Fiduciary Net Position for the GERP presented above and the amounts presented in the financial statements are due to timing differences in certain accruals. These differences are not considered to be significant.

The Changes in Net Pension Liability for the PFRP are as follows:

	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (Asset) (a-b)</u>
Reporting Period Ended September 30, 2020	\$ 73,391,636	\$ 61,834,430	\$ 11,557,206
Change for a Year:			
Service Cost	2,909,533	-	2,909,533
Interest	5,898,018	-	5,898,018
Share Plan Allocation	220,707	-	220,707
Differences Between Expected and Actual Experience	410,709	-	410,709
Changes of Assumptions	2,461,875	-	2,461,875
Changes of Benefit Terms	2,233,122	-	2,233,122
Contributions - Employer	-	3,457,052	(3,457,052)
Contributions - State	-	737,830	(737,830)
Contributions - Employee	-	587,944	(587,944)
Contributions - Buy Back	1,170	1,170	-
Net Investment Income	-	10,574,031	(10,574,031)
Benefit Payments, Including Refunds of Employee Contributions	(3,829,413)	(3,829,413)	-
Administrative Expense	-	(134,171)	134,171
Reporting Period Ended September 30, 2021	<u>\$ 83,697,357</u>	<u>\$ 73,228,873</u>	<u>\$ 10,468,484</u>

The difference between Plan Fiduciary Net Position for the PFRP presented above and the amounts presented in the financial statements are due to timing differences in certain accruals. These differences are not considered to be significant.

Pension Expense

For the year ended September 30, 2021, the City recognized Pension Expense of \$1,239,882 and \$6,116,186 for the GERP and the PFRP, respectively, and total Pension Expense of \$7,356,068.

NOTES TO FINANCIAL STATEMENTS
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The pension liability from the governmental funds is typically liquidated in the General Fund.

Deferred Inflows and Deferred Outflows of Resources

On September 30, 2021, the City reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
GERP		
Differences Between Expected and Actual Experience	\$ 1,006,664	\$ -
Changes of Assumptions	1,807,190	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	5,636,599
PFRP		
Differences Between Expected and Actual Experience	2,289,689	522,180
Changes of Assumptions	3,395,996	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	4,527,647
Total	\$ 8,499,539	\$ 10,686,426

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year Ending September 30,	GERP	PFRP
2022	(164,253)	379,871
2023	(302,485)	(35,915)
2024	(960,738)	(382,851)
2025	(1,395,269)	(251,322)
2026	-	926,075
Thereafter	-	-

NOTES TO FINANCIAL STATEMENTS
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Other Pension Plan Information

SCHEDULE OF PENSION PLAN NET POSITION AS OF SEPTEMBER 30, 2021

	General Employees' Retirement Fund	Police Officers' and Firefighters' Retirement Fund	Total
Assets			
Cash and Cash Equivalents	\$ 2,140,060	\$ 3,571,295	\$ 5,711,355
Investments at Fair Value:			
Domestic Equities	31,914,649	28,837,373	60,752,022
Foreign Equities	12,583,647	10,255,014	22,838,661
Domestic Fixed Income Funds	19,767,617	18,968,720	38,736,337
Foreign Fixed Income Funds	1,972,757	1,981,164	3,953,921
Non-Core Fixed Income	529,924	450,436	980,360
Real Estate	7,256,206	6,139,899	13,396,105
Alternatives	3,230,143	2,647,923	5,878,066
Total Investments at Fair Value	<u>77,254,943</u>	<u>69,280,529</u>	<u>146,535,472</u>
Total Assets	<u>79,395,003</u>	<u>72,851,824</u>	<u>152,246,827</u>
Net Position			
Restricted for Pensions	<u>\$ 79,395,003</u>	<u>\$ 72,851,824</u>	<u>\$ 152,246,827</u>

SCHEDULE OF THE CHANGE IN PENSION PLAN NET POSITION AS OF SEPTEMBER 30, 2021

Additions			
Contributions:			
Employer	\$ 2,364,184	\$ 3,615,472	\$ 5,979,656
Employer from State	-	737,830	737,830
Employee	155,517	587,939	743,456
Miscellaneous	999	1,621	2,620
Total Contributions	<u>2,520,700</u>	<u>4,942,862</u>	<u>7,463,562</u>
Investment Income:			
Investment Earnings	10,924,807	9,475,171	20,399,978
Dividend Income	1,587,284	1,343,069	2,930,353
Total Income on Investments	<u>12,512,091</u>	<u>10,818,240</u>	<u>23,330,331</u>
Total Additions	<u>15,032,791</u>	<u>15,761,102</u>	<u>30,793,893</u>
Deductions			
Pension Payments	2,537,588	2,991,877	5,529,465
Refunds to Employees	10,545	47,340	57,885
DROP Distribution	254,997	800,555	1,055,552
Administration	426,254	374,541	800,795
(Total Deductions)	<u>(3,229,384)</u>	<u>(4,214,313)</u>	<u>(7,443,697)</u>
Net Increase	11,803,407	11,546,789	23,350,196
Net Position Restricted for Pensions			
Beginning of Year	67,591,596	61,305,035	128,896,631
End of Year	<u>\$ 79,395,003</u>	<u>\$ 72,851,824</u>	<u>\$ 152,246,827</u>

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Deferred Compensation Fund

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The deferred compensation plan, available to all City employees, permits them to defer a portion of their salary until future years. Employees' money held in the deferred compensation plan is not available to employees until termination, retirement, death, or unforeseeable emergency.

In October 1997, GASB issued Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. This Statement allows the employer to not report the assets and liabilities in its financial statements if the employer has met the criteria of IRC Section 457 and does not retain fiduciary accountability for the plan assets. During 1998, the City amended its deferred compensation plan to reflect the changes in the IRC and, in the opinion of management, does not retain fiduciary accountability for plan assets.

Note 5 - Leasing Activities

The City is the lessor on various operating leases with individuals and businesses, which are renewable periodically. The rental income under these arrangements was \$642,140 for the year ended September 30, 2021. Assets under these leases are primarily land, buildings, and improvements, and are reported as such in the notes to the financial statements (see Note 3 - Capital Assets). As of September 30, 2021, the cost and accumulated depreciation on these assets was \$8,967,230 and \$3,934,650, respectively.

Note 6 - Long-Term Liabilities

Long-term liability for the year ended September 30, 2021, was as follows:

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	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Revenue Bonds, Notes, and Capital Leases:					
Capital Improvement Bonds - 2010A	\$ 2,385,000	\$ -	\$ (1,205,000)	\$ 1,180,000	\$ 1,180,000
PNC Finance - Capital Lease - 2016	192,526	-	(192,526)	-	-
Republic First Natl Corp - Capital Lease - 2016	96,294	-	(96,294)	-	-
Direct Borrowing and Direct Placement:					
Florida DEP Revolving Fund Note - 2002	101,541	-	(15,717)	85,824	16,181
Florida DEP Revolving Fund Note - 2005	614,913	-	(96,203)	518,710	98,632
Florida DEP Revolving Fund Note - 2006	832,996	-	(130,288)	702,708	133,592
Capital Improvement Revenue Note - 2019	35,250,000	-	(1,335,000)	33,915,000	1,425,000
Total Revenue Bonds, Notes, and Capital Leases	39,473,270	-	(3,071,028)	36,402,242	2,853,405
Add: Premium	(5,405)	3,921	-	(1,484)	1,484
Bonds, Notes, and Capital Leases, Net of Premium	39,467,865	3,921	(3,071,028)	36,400,758	2,854,889
Other Liabilities:					
Compensated Absences	1,721,383	1,310,542	(1,082,217)	1,949,708	1,169,825
Net OPEB Liability	2,296,226	548,034	-	2,844,260	464,549
Total Other Liabilities	4,017,609	1,858,576	(1,082,217)	4,793,968	1,634,374
Total Government Activities	\$ 43,485,474	\$ 1,862,497	\$ (4,153,245)	\$ 41,194,726	\$ 4,489,263
Business-Type Activities					
Utility Revenue Notes Payable for					
Direct Borrowing and Direct Placement:					
Water Utility:					
Florida DEP Revolving Fund Note - 2007-DW	\$ 9,318,637	\$ -	\$ (1,138,458)	\$ 8,180,179	\$ 1,168,922
Utility System Revenue Bonds - 2012A	11,325,000	-	(805,000)	10,520,000	830,000
SunTrust Revenue Note - 2013A	740,000	-	(245,000)	495,000	245,000
Total Water Utility	21,383,637	-	(2,188,458)	19,195,179	2,243,922
Sewer Utility:					
Florida DEP Revolving Fund Note - 2002	182,374	-	(23,734)	158,640	24,468
Florida DEP Revolving Fund Note - 2005	1,093,384	-	(144,909)	948,475	148,518
Florida DEP Revolving Fund Note - 2007-WW	12,845,697	-	(1,376,333)	11,469,364	1,410,411
SunTrust Revenue Note - 2013A	1,110,000	-	(365,000)	745,000	370,000
Total Sewer Utility	15,231,455	-	(1,909,976)	13,321,479	1,953,397
Total Utility Revenue Notes Payable for Direct Borrowing and Direct Placement	36,615,092	-	(4,098,434)	32,516,658	4,197,319
Stevens Plantation Dependent					
Special District Bonds	4,460,000	-	(876,151)	3,583,849	3,583,849
Total Revenue Notes and Bonds Payable	41,075,092	-	(4,974,585)	36,100,507	7,781,168
Other Liabilities:					
Landfill Closure Liability	1,756,288	-	(97,415)	1,658,873	118,491
Compensated Absences	523,650	452,015	(396,453)	579,212	347,529
Net OPEB Liability	1,124,009	210,863	-	1,334,872	218,022
Total Other Liabilities	3,403,947	662,878	(493,868)	3,572,957	684,042
Total Business-Type Activities	\$ 44,479,039	\$ 662,878	\$ (5,468,453)	\$ 39,673,464	\$ 8,465,210

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The following is a schedule of bonds and notes outstanding at September 30, 2021:

Description of Bonds	Purpose of Issue	Issued	Outstanding	Rates
Governmental Activities				
Revenue Bonds and Notes:				
Capital Improvement - 2010A	Refunding	\$ 20,875,000	\$ 1,180,000	2.00-5.00%
Direct Borrowing and Direct Placement:				
Florida DEP Revolving Fund Note - 2002	Capital Improvement	281,223	85,824	2.93%
Florida DEP Revolving Fund Note - 2005	Capital Improvement	1,770,791	518,710	2.51%
Florida DEP Revolving Fund Note - 2006	Capital Improvement	2,312,479	702,708	2.46-2.52%
Capital Imprv Rev Note, 2019	Capital Improvement	35,585,000	33,915,000	5.01-6.00%
Total Governmental Activities		<u>\$ 60,824,493</u>	<u>\$ 36,402,242</u>	
Business-Type Activities				
Revenue Notes Payable:				
Stevens Plantation Dependent Special District Bonds*	Capital Improvement	\$ 5,890,000	\$ 3,583,849	6.38%
Direct Borrowing and Direct Placement:				
Water Utility:				
Florida DEP Revolving Fund Note - 2007-DW	Capital Improvement	20,708,565	8,180,179	2.51-2.84%
Utility System Revenue Bonds - 2012A	Capital Improvement	15,500,000	10,520,000	2.75%
SunTrust Revenue Note - 2013A	Refunding	2,355,000	495,000	2.02%
Total Water Utility		<u>38,563,565</u>	<u>19,195,179</u>	
Sewer Utility:				
Florida DEP Revolving Fund Note - 2002	Capital Improvement	423,533	158,640	3.07%
Florida DEP Revolving Fund Note - 2005	Capital Improvement	2,647,931	948,475	2.40-2.51%
Florida DEP Revolving Fund Note - 2007-WW	Capital Improvement	26,600,625	11,469,364	2.38-3.10%
SunTrust Revenue Note - 2013A	Refunding	3,515,000	745,000	2.02%
Total Sewer Utility		<u>33,187,089</u>	<u>13,321,479</u>	
Total Business-Type Activities		<u>\$ 77,640,654</u>	<u>\$ 36,100,507</u>	

* In May 2013, the Bond Holders of the outstanding \$4,460,000 portion of the \$5,890,000 Stevens Plantation Improvement Project Dependent Special District Revenue Bonds, Series 2003 (the Bonds) received a Notice of Event Default because the Trustee did not receive sufficient payments from the District for principal and interest due May 1, 2013.

Debt service to maturity on the City's bonded indebtedness, for the direct placement, and direct borrowing is as follows:

Fiscal Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2022	\$ 1,673,405	\$ 893,114	\$ 4,197,319	\$ 807,489
2023	1,714,762	850,563	4,302,983	701,149
2024	1,761,282	806,959	3,770,470	598,569
2025	1,797,968	762,173	3,869,829	499,805
2026	1,844,825	716,453	3,971,107	398,433
2027-2031	8,445,000	2,937,764	11,309,950	713,392
2032-2036	9,515,000	1,812,417	1,095,000	15,056
2037-2041	8,470,000	544,322	-	-
Total	<u>\$ 35,222,242</u>	<u>\$ 9,323,765</u>	<u>\$ 32,516,658</u>	<u>\$ 3,733,893</u>

Debt service to maturity on the City's bonded indebtedness is as follows:

Fiscal Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2022	\$ 1,180,000	\$ 41,300	\$ 3,583,849	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
Total	<u>\$ 1,180,000</u>	<u>\$ 41,300</u>	<u>\$ 3,583,849</u>	<u>-</u>

NOTES TO FINANCIAL STATEMENTS
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The City has pledged certain revenues to repay certain bonds and notes outstanding as of September 30, 2021. The following table reports the revenues, sometimes net of related operating expenses, pledged for each debt issue; the amounts of such revenues received in the current year; the current year principal and interest paid on the debt; the approximate percentage of each revenue, which is pledged to meet the debt obligation; the date through which the revenue is pledged under the debt agreement; and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2021:

Description of Bonds	Pledge Revenue	Revenue Received	Principal and Interest Paid	Estimated Percentage Pledged	Outstanding Principal and Interest	Pledged Through
Governmental Activities						
Capital Improvement Revenue Bonds 2010A Series	1% Surcharge (Covenant to Appropriate)	N/A	\$ 669,675	N/A	\$ 636,247	2022
Capital Improvement Revenue Bonds 2010A Series	Mobility Impact Fee (Covenant to Appropriate)	N/A	\$ 615,788	N/A	\$ 585,053	2022
Capital Improvement Revenue Refundings Note, 2019 Series	Mobility Impact Fee (Covenant to Appropriate)	N/A	\$ 2,230,350	N/A	\$ 43,145,614	2040
Direct Borrowing and Direct Placement Florida DEP Revolving Fund Notes	Net Stormwater Revenue	\$ 2,231,556	\$ 280,079	12.55%	\$ 1,400,395	2026
Business-Type Activities						
Direct Borrowing and Direct Placement: Florida DEP Revolving Fund Notes - 2002, 2005, 2007 and SunTrust Utility Revenue Note - 2013A	Net Sewer Revenue	\$ 10,549,831	\$ 2,268,121	17.29%	\$ 14,592,786	2029
Florida DEP Revolving Fund Note - 2007 - DW and Utility System Revenue Bonds 2012A and SunTrust Utility Revenue Note - 2013A	Net Water Revenue	\$ 9,069,273	\$ 2,741,527	21.71%	\$ 21,658,764	2032

Estimated Landfill Closure Cost and Post-Closure Liability

The landfill closure was officially accepted and declared by the Florida Department of Environmental Protection on October 10, 2005. State and federal laws and regulations require the City to continue to perform certain maintenance and monitoring functions at the site for 30 years after closure. During operation of the landfill, the City annually funded a liability and an escrow account to cover estimated landfill closure costs and post-closure costs. Based upon full closure of the landfill, excess funds held in the escrow account over the originally estimated closure were withdrawn and deposited to the Sanitation Fund of the City. The remaining liability and escrow funds of \$1,658,873 and \$1,658,873, respectively, have been maintained to cover the post-closure costs estimated for the entire 30-year post-closure period. Actual costs may be different due to inflation, deflation, changes in technology, or changes in regulations.

Capital Leases

The City entered into lease agreements for financing the acquisition of two ambulances and a new fire truck. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

Asset	Governmental Activities
Vehicles and Accessories	\$ 972,490
(Accumulated Depreciation)	(779,922)
Total	\$ 192,568

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

Note 7 - Commitment and Contingencies

For Grants and Loans

Under the terms of federal and state grants and loans, periodic audits are required, and certain costs may be questioned as not allowable as expenditures under the terms of the grants, which could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will not be material.

Lawsuits

Various suites and claims arising in the ordinary course of City operations are pending against the City. While the ultimate effect of such litigation cannot be ascertained at this time, the City does not expect any of these routine items to have a material impact on the financial condition of the City.

Landfill Waste Disposal – At present time is a lawsuit related to the City Council’s decisions to terminate a contract under which the City accepted liquid waste leachate from the landfill into the City’s wastewater treatment system. The City determined to terminate the contract because of concerns with coal combustion residuals being disposed of at the landfill. The lawsuit asserts a breach of contract claim against the City, as well as federal claims, which prompted the City to remove the case to federal court. The federal claims (equal protection and procedural due process) target the City and the City Council members who voted in favor of terminating the contract. A motion to dismiss the amended complaint is still pending. An early mediation occurred on March 4, 2022, and the parties continue to explore settlement options. Trial is set for October 2023. Discovery is in the early stages, and information or documentation to support a claim of damages have not yet been received. Litigation of this matter has been deemed reasonably possible; however, the City management and Counsel do not have a finalized and/or available estimate in the event of loss. The outcome of the claim cannot be determined at this time.

Construction Contracts

At September 30, 2021, the City had several uncompleted construction contracts. These contracts will be paid in future periods as work is performed. Payment will be made with proceeds from debt issues, impact fees, operating revenues, restricted cash on hand, and grants to be received. The remaining commitment on these construction contracts was approximately as follows:

Capital Projects Fund	\$ 7,417,157
Water Utility	593,890
Sewer Utility	748,145

Encumbrances

The City utilizes encumbrance accounting in its governmental funds. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which a purchase order, contract, or other commitment is issued. All unencumbered appropriations lapse at year-end.

Note 8 - Interfund Transfers and Payables

The following is a reconciliation of current and long-term interfund receivables and payables:

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	<u>Due From</u>	<u>Due To</u>
Current Interfund		
General Fund	\$ -	\$ 1,399,943
Mobility Fee Fund	-	9,060,732
One Percent Surcharge Fund	-	3,355,283
Water Utility Fund	-	180,000
Sewer Utility Fund	-	265,000
Stormwater	999,943	-
Other Governmental Funds – Non-Major	17,585,984	4,325,023
Building Department Fund – Non-Major	54	-
Total Current Interfund Receivables and Payables	<u>\$ 18,585,981</u>	<u>\$ 18,585,981</u>
Long-Term Interfund Loan		
General Fund	\$ 1,504,990	\$ -
OUC Interlocal Agreement Fund	-	1,504,990
Total Long-Term	<u>\$ 1,504,990</u>	<u>\$ 1,504,990</u>

Vehicle Maintenance and Self-Insurance Funds received cash to cover upcoming operating expenses. All remaining interfund balances relate to the funding of various capital projects and are expected to be drawn down as the Capital Projects Fund pays for construction costs.

The following is a reconciliation of interfund transfers:

	<u>Transfer In</u>	<u>Transfer (Out)</u>
Interfund Transfers		
General Fund	\$ 14,691,757	\$ (4,816,661)
OUC Interlocal Agreement Fund	-	(7,408,000)
Mobility Fee Fund	527,484	(7,383,293)
One Percent Surcharge Fund	790,444	(3,784,440)
Water Utility Fund	1,472,599	(2,492,969)
Sewer Utility Fund	94,182	(1,176,436)
Sanitation Utility Fund	198,075	(1,003,266)
Stormwater Utility Fund	1,064,036	(471,296)
Steven’s Plantation DSD	350,000	-
Internal Service Fund	12,517	(1,500,000)
Non-Major Funds:		
Special Revenue Funds	1,843,333	(5,177,176)
Capital Projects Fund	11,970,344	(1,922,523)
Debt Service Fund	4,099,362	-
Building Department Fund – Non-Major	21,927	-
Total Interfund Transfers	<u>\$ 37,136,060</u>	<u>\$ (37,136,060)</u>

The interfund transfers to the Debt Service Fund were for funding of the City’s long-term notes and bonds payable. The transfer from the OUC Interlocal Agreement Fund to the General Fund was to transfer revenue received within the year to cover general expenditures of the City.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

Note 9 - Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters, for which the City carries commercial insurance. Insurance against losses is provided through various commercial carriers for the following types of risk:

- General Liability
- Property
- Public Officials' and Employment Practices Liability
- Pollution Liability
- Automobile
- Crime

The City's coverage for workers' compensation is under a retrospectively rated policy. Premiums are accrued based on the ultimate cost to date of the City's experience for this type of risk.

A detailed schedule of insurance in force is located in the statistical section.

There was no significant reduction in insurance coverage from the prior year. Also, there were no settlements in excess of coverage for the past three years.

In 2012, the City established a limited risk management program to help contain rising health insurance costs. In 2017, the City established a limited risk management program to help contain rising workers' comp insurance costs. The program consists of purchasing an aggregate stop loss and individual maximum claims reinsurance policy with the City being responsible for the claims not covered by the policy. Premiums collected are then deposited into the Internal Service Funds. All administrative, network, insurance, and claims costs are charged to the funds. If there were to be a shortage that would not be recovered through user fees over a reasonable period of time, then the excess would be charged to each fund and department based upon their portioned share.

Liabilities of the funds are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs) based on the estimated claims incurred as of September 30 and offset by an estimated recovery from the excess insurance. The results of the process to estimate the claims liability is not an exact amount as it is dependent on timing of claims being reported and processed through the system.

	Fiscal Year Ended	
	September 30, 2021	September 30, 2020
Unpaid Claims, Beginning of Fiscal Year	\$ 645,218	\$ 740,799
Incurred Claims (including IBNRs)	5,116,180	4,024,361
Claims Payments	(5,099,025)	(4,119,942)
Unpaid Claims, End of Fiscal Year	\$ 662,373	\$ 645,218

Note 10 - OUC Interlocal Agreement

Effective May 1, 1997, the City entered into an inter-local agreement with OUC, whereby OUC would operate the City's electric system for a period of 25 years. Terms of the agreement provide that all electric billings belong to OUC, with guaranteed payments from OUC to the City for the second preceding year's gross electric billings, not to go below \$2,361,000 per year. In December 2020, the agreement was extended for 10 years.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

As a part of the agreement, the City sold to OUC the majority of its electric materials inventory and rolling stock. Virtually all employees of the City’s Electric Fund were transferred to OUC, along with accrued benefits, including a transfer from the City’s defined-benefit pension plan of the present value of the accrued pension benefit. Additionally, the City terminated the electric utility proprietary fund by transferring the fund’s assets and liabilities to other funds and account groups of the City.

During fiscal year 2014, OUC discontinued the water and sewer billing portion of the agreement and discontinued use of the City’s billing system. The City brought the water and sewer billing function back under City management.

Note 11 - Other Postemployment Benefits (OPEB)

The City of St. Cloud’s Retiree Healthcare Plan (the Plan) is a single-employer defined benefit postemployment health care plan that covers eligible retired employees of the City. The Plan, which is administered by the City, allows employees who retire and meet retirement eligibility requirements under one of the City’s retirement plans to continue medical, vision, and dental insurance coverage as a participant in the City’s Plan. For purposes of applying Paragraph 4 under GASB Statement No. 75, the Plan does not meet the requirements for an OPEB plan administered through a trust.

The City subsidizes the premium rates paid by retirees by allowing them to participate in the Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the Plan on average than those of active employees. The City does not offer any explicit subsidies for retiree coverage. Retirees are assumed to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The Plan does not issue a stand-alone report. The authority for establishing and amending the funding policy rests with the City Council. No stand-alone financial report is issued.

Membership of the Plan consisted of the following:

Date of Actuarial Valuation	September 30, 2019
Retirees and Beneficiaries Receiving Benefits	23
Active Plan Members	509
Total	532

Changes in the Total OPEB Plan Liability

The following table shows the change in the City’s OPEB Plan liability:

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	Increase/ (Decrease) in Total OPEB Liability
Reporting Period Ended September 30, 2020	\$ 3,420,234
Changes for the Year:	
Service Cost	241,617
Interest	128,090
Changes of Assumptions	558,499
Benefit Payments	(169,309)
Net Changes	758,897
Reporting Period Ended September 30, 2021	\$ 4,179,131

As of September 30, 2021, the total OPEB Plan liability was \$4,179,131 and assets held in trust were \$0, resulting in a funded ratio of 0.00%. The covered payroll (annual payroll of active participating employees) was \$26,804,635, and the ratio of the total OPEB Plan liability to the covered payroll was 15.59%.

Actuarial Assumptions and Methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funding status of a plan and the annual required contributions of the employer are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future.

All mortality rates were based on the Pub-2010 mortality tables. All mortality rates are those outlined in Milliman’s July 1, 2019 FRS valuation report, with appropriate risk and collar adjustments made based on plan demographics.

Retirement, termination, and disability rates are consistent with those used in corresponding pension plan valuations and align with rates resulting from recent experience studies (the study dates are August 13, 2018, for the General Employees’ Retirement System and August 13, 2018, for the Police Officers’ and Firefighters’ Retirement System).

Healthcare inflation rates reflect recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries.

The discount rate used has been updated to utilize the mandated discount rate based on the 20-year Municipal Bond Rate as of the measurement date, as required under GASB Statement No. 75.

The valuation results were calculated using the Entry Age cost method. This is the required cost method under GASB Statement Nos. 74 and 75 standards.

On September 30, 2021, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 117,095
Changes of Assumptions	496,444	380,019
Employer Contributions Subsequent to the Measurement Date	186,127	-
Total	<u>\$ 682,571</u>	<u>\$ 497,114</u>

The Deferred Outflows of Resources related to OPEB totaling \$682,571 resulting from the City's contributions to the Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2022. Other amounts reported as Deferred Inflows of Resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended September 30,</u>	
2022	\$ (18,824)
2023	(18,824)
2024	(18,824)
2025	(18,824)
2026	(18,821)
Thereafter	93,447

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	<u>1% Decrease 1.14%</u>	<u>Current Discount Rate 2.14%</u>	<u>1% Increase 3.14%</u>
Total OPEB Liability	\$ 4,636,512	\$ 4,179,131	\$ 3,779,882

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease 3.00%-6.50%</u>	<u>Healthcare Cost Trend Rate 4.00%-7.50%</u>	<u>1% Increase 5.00%-8.50%</u>
Total OPEB Liability	\$ 3,648,652	\$ 4,179,131	\$ 4,823,833

Note 12 - Receivable

Amounts are aggregated into a single customer receivable (net of allowance for uncollectible) line for certain funds and aggregated columns. Below is the detail of the receivables for the General Fund and enterprise funds, including the applicable allowances for uncollectible amounts:

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	General Fund	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility
Customer Receivables	\$ 729,460	\$ 1,082,780	\$ 880,372	\$ 1,028,883	\$ 161,528
(Less Allowance for Doubtful Accounts)	(5,625)	(57,230)	(24,516)	(31,018)	(13,502)
Customer Receivable, Net	\$ 723,835	\$ 1,025,550	\$ 855,856	\$ 997,865	\$ 148,026

Note 13 - Deficit Net Position

As of September 30, 2021, the Road Impact Fees Fund, the Stevens Plantation Dependent Special District, and the Motor Pool Internal Service Fund had deficit net position of \$67,463, \$2,453,107, and \$104,146, respectively.

Note 14 - Fund Balance Reporting

GASB Statement No. 54 requires portions of governmental fund balances to be classified as shown in Note 1 - Description of Funds and Summary of Significant Accounting Policies. A detailed schedule of governmental fund balances is as follows:

Fund Balances	General Fund	OUC/St. Cloud Interlocal Fund	Mobility Fee Fund	One Percent Surcharge Fund	Total Other Governmental Funds	Total All Governmental Funds
Non-Spendable						
Inventory	\$ 219,290	\$ -	\$ -	\$ -	\$ -	\$ 219,290
Prepaid Items	1,719,328	-	-	-	4,203	1,723,531
Long-Term Receivable	1,504,990	-	-	-	-	1,504,990
Restricted for						
Economic Development	-	-	-	-	353	353
Community Redevelopment	-	-	-	-	1,125,412	1,125,412
Transportation	-	-	15,656,780	-	793,425	16,450,205
Federal Equitable Funds	13,279	-	-	-	-	13,279
Law Enforcement	16,258	-	-	-	-	16,258
Capital Projects	-	-	-	2,835,121	34,101,236	36,936,357
Debt Service	-	-	-	-	383,540	383,540
Assigned to						
Subsequent Year's Budget	5,053,709	-	-	-	-	5,053,709
Economic Development	-	1,256,567	-	-	431,217	1,687,784
Unassigned	6,960,118	-	-	-	(67,463)	6,892,655
Total Fund Balances	\$ 15,486,972	\$ 1,256,567	\$ 15,656,780	\$ 2,835,121	\$ 36,771,923	\$ 72,007,363

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	
Revenues				
Taxes	\$ 18,124,942	\$ 18,124,942	\$ 18,124,880	\$ (62)
Permits and Fees	2,165,413	2,165,413	2,745,100	579,687
Intergovernmental Revenues	5,811,461	5,811,461	5,612,187	(199,274)
Charges for Services	4,527,713	4,527,713	4,821,235	293,522
Fines and Forfeitures	116,862	116,862	186,650	69,788
Grants	903,117	2,493,275	1,262,213	(1,231,062)
Investment Income	217,934	217,934	165,096	(52,838)
Other Revenue	2,681,059	2,681,059	439,212	(2,241,847)
Total Revenues	34,548,501	36,138,659	33,356,573	(2,782,086)
Expenditures				
Current:				
City Council	492,533	798,621	519,300	279,321
City Manager	1,382,493	1,561,322	937,871	623,451
City Clerk	913,863	983,433	566,584	416,849
Human Resources	896,744	923,744	625,207	298,537
Finance	1,429,309	1,578,670	1,050,541	528,129
Procurement	843,728	872,103	253,103	619,000
Information Technology	1,698,857	1,934,927	1,242,501	692,426
Planning/Zoning	1,512,575	1,884,978	1,258,178	626,800
Building Maintenance	1,643,219	1,592,122	832,496	759,626
Police	16,984,936	17,802,693	16,998,126	804,567
Fire	11,122,261	11,075,674	10,209,005	866,669
Public Works	2,751,208	2,817,954	1,806,414	1,011,540
Parks and Recreation	5,363,820	5,339,961	4,484,741	855,220
Capital Outlay	989,145	2,052,590	549,678	1,502,912
(Total Expenditures)	(48,024,691)	(51,218,792)	(41,333,745)	9,885,047
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(13,476,190)	(15,080,133)	(7,977,172)	7,102,961
Other Financing Sources (Uses)				
Transfers from Other Funds	13,676,808	14,691,808	14,691,757	(51)
Transfers to Other Funds	(3,583,621)	(4,790,271)	(4,816,661)	(26,390)
Sale of Capital Assets	-	-	11,778	11,778
Insurance Recoveries	5,000	5,000	18,826	13,826
Total Other Financing Sources (Uses)	10,098,187	9,906,537	9,905,700	(837)
Net Change in Fund Balances	(3,378,003)	(5,173,596)	1,928,528	7,102,124
Fund Balance, Beginning of Year	13,558,444	13,558,444	13,558,444	-
Fund Balance, End of Year	\$ 10,180,441	\$ 8,384,848	\$ 15,486,972	\$ 7,102,124

Note to Schedule:

The annual operating budgets of the City of St. Cloud, Florida (the City) are prepared on a basis consistent with the City's basic financial statements, which are presented in accordance with generally accepted accounting principles.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
OUC INTERLOCAL AGREEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	
Revenues				
Payments from Other Governments	\$ 7,753,086	\$ 7,753,086	\$ 8,019,487	\$ 266,401
Investment Income	19,500	19,500	18,405	(1,095)
Total Revenues	<u>7,772,586</u>	<u>7,772,586</u>	<u>8,037,892</u>	<u>265,306</u>
Expenditures				
Current:				
Economic Environment	-	451,000	276,475	174,525
(Total Expenditures)	<u>-</u>	<u>(451,000)</u>	<u>(276,475)</u>	<u>174,525</u>
Excess of Revenues Over Expenditures	<u>7,772,586</u>	<u>7,321,586</u>	<u>7,761,417</u>	<u>439,831</u>
Other Financing Sources (Uses)				
Transfers to Other Funds	(7,058,000)	(7,408,000)	(7,408,000)	-
Total Other Financing Sources (Uses)	<u>(7,058,000)</u>	<u>(7,408,000)</u>	<u>(7,408,000)</u>	<u>-</u>
Net Change in Fund Balances	714,586	(86,414)	353,417	439,831
Fund Balance, Beginning of Year	<u>903,150</u>	<u>903,150</u>	<u>903,150</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,617,736</u>	<u>\$ 816,736</u>	<u>\$ 1,256,567</u>	<u>\$ 439,831</u>

Note to Schedule:

The annual operating budgets of the City of St. Cloud, Florida (the City) are prepared on a basis consistent with the City's basic financial statements, which are presented in accordance with generally accepted accounting principles.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MOBILITY FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Permits and Fees	\$ 6,544,881	\$ 6,544,881	\$ 7,906,214	\$ 1,361,333
Investment Income	187,403	187,403	161,107	(26,296)
Total Revenues	<u>6,732,284</u>	<u>6,732,284</u>	<u>8,067,321</u>	<u>1,335,037</u>
Expenditures				
Current:				
Transportation	-	2,000,000	1,682,379	317,621
(Total Expenditures)	<u>-</u>	<u>(2,000,000)</u>	<u>(1,682,379)</u>	<u>317,621</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,732,284</u>	<u>4,732,284</u>	<u>6,384,942</u>	<u>1,652,658</u>
Other Financing Sources (Uses)				
Transfers from Other Funds	-	527,484	527,484	-
Transfers to Other Funds	-	(7,383,294)	(7,383,293)	1
Total Other Financing Sources (Uses)	<u>-</u>	<u>(6,855,810)</u>	<u>(6,855,809)</u>	<u>1</u>
Net Change in Fund Balances	6,732,284	(2,123,526)	(470,867)	1,652,659
Fund Balance, Beginning of Year	<u>16,127,647</u>	<u>16,127,647</u>	<u>16,127,647</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 22,859,931</u>	<u>\$ 14,004,121</u>	<u>\$ 15,656,780</u>	<u>\$ 1,652,659</u>

Note to Schedule:

The annual operating budgets of the City of St. Cloud, Florida (the City) are prepared on a basis consistent with the City's basic financial statements, which are presented in accordance with generally accepted accounting principles.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ONE PERCENT SURCHARGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	Budgeted Amounts		Actual	Variance
	Original	Final		
Taxes	\$ 5,804,212	\$ 5,804,212	\$ 5,448,921	\$ (355,291)
Investment Income	83,639	83,639	56,317	(27,322)
Total Revenues	<u>5,887,851</u>	<u>5,887,851</u>	<u>5,505,238</u>	<u>(382,613)</u>
Expenditures				
Current:				
Operating Expenditures	2,703,147	2,128,975	43,863	2,085,112
Capital Outlay	2,195,700	4,274,378	2,919,862	1,354,516
(Total Expenditures)	<u>(4,898,847)</u>	<u>(6,403,353)</u>	<u>(2,963,725)</u>	<u>(3,439,628)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>989,004</u>	<u>(515,502)</u>	<u>2,541,513</u>	<u>3,057,015</u>
Other Financing Sources (Uses)				
Transfers to Other Funds	(3,517,229)	(3,656,291)	(3,784,440)	(128,149)
Transfers from Other Funds	-	734,898	790,444	55,546
Sale of Capital Assets	-	-	12,437	12,437
Total Other Financing Sources (Uses)	<u>(3,517,229)</u>	<u>(2,921,393)</u>	<u>(2,981,559)</u>	<u>(60,166)</u>
Net Change in Fund Balances	(2,528,225)	(3,436,895)	(440,046)	2,996,849
Fund Balance, Beginning of Year	<u>3,275,167</u>	<u>3,275,167</u>	<u>3,275,167</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 746,942</u>	<u>\$ (161,728)</u>	<u>\$ 2,835,121</u>	<u>\$ 2,996,849</u>

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION
LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEES' RETIREMENT PLAN
LAST 10 FISCAL YEARS *
(UNAUDITED)
CITY OF ST. CLOUD, FLORIDA

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability									
Service Cost	\$ 2,019,461	\$ 1,830,118	\$ 1,644,685	\$ 1,475,949	\$ 1,353,872	\$ 1,719,953	\$ 1,610,096	\$ 1,542,990	\$ 1,428,694
Interest	5,079,659	4,698,858	4,408,210	4,051,364	3,838,179	3,755,454	3,506,599	3,229,460	2,968,071
Change in Benefit Terms	-	-	1,103,540	-	-	-	-	-	-
Differences Between Expected and Actual Experience	445,952	1,025,549	233,383	330,362	(265,504)	(742,927)	(487,223)	-	-
Changes in Assumptions	2,403,878	8,561	-	-	166,757	280,136	-	-	-
Contributions - Buy Back	-	-	-	-	15,216	16,475	4,115	-	-
Benefit Payments, Including Refunds of Employee Contributions	(2,805,888)	(2,871,858)	(2,570,974)	(2,479,987)	(2,479,651)	(1,682,941)	(1,582,585)	(1,168,051)	(1,319,345)
Net Change in Total Pension Liability	7,143,062	4,691,228	4,818,844	3,377,688	2,628,869	3,346,150	3,051,002	3,604,399	3,077,420
Total Pension Liability - Beginning	64,927,467	60,236,239	55,417,395	52,039,707	49,410,838	46,064,688	43,013,686	39,409,287	36,331,867
Total Pension Liability - Ending (a)	\$ 72,070,529	\$ 64,927,467	\$ 60,236,239	\$ 55,417,395	\$ 52,039,707	\$ 49,410,838	\$ 46,064,688	\$ 43,013,686	\$ 39,409,287
Plan Fiduciary Net Position									
Contributions - Employer	\$ 2,364,184	\$ 2,215,159	\$ 2,720,561	\$ 2,339,380	\$ 2,142,198	\$ 1,996,026	\$ 2,427,915	\$ 2,069,336	\$ 2,145,635
Contributions - Employee	155,517	150,302	142,820	121,357	110,834	104,401	105,253	107,804	145,360
Contributions - Buy Back	-	-	-	-	15,216	16,475	4,115	-	-
Net Investment Income	12,203,562	6,178,336	2,821,009	3,917,769	5,986,946	3,488,201	799,602	4,435,658	3,920,904
Benefit Payments, Including Refunds of Employee Contributions	(2,805,888)	(2,871,858)	(2,570,974)	(2,479,987)	(2,479,651)	(1,682,941)	(1,582,585)	(1,168,051)	(1,319,345)
Administrative Expense	(138,932)	(108,666)	(94,851)	(73,591)	(88,341)	(72,563)	(60,839)	(55,446)	(67,453)
Net Change in Plan Fiduciary Net Position	11,778,443	5,563,273	3,018,565	3,824,928	5,687,202	3,849,599	1,693,461	5,389,301	4,825,101
Plan Fiduciary Net Position - Beginning	67,660,516	62,097,243	59,078,678	55,253,750	49,566,548	45,716,949	44,023,488	38,634,187	33,809,086
Plan Fiduciary Net Position - Ending (b)	79,438,959	67,660,516	62,097,243	59,078,678	55,253,750	49,566,548	45,716,949	44,023,488	38,634,187
Net Pension Liability - Ending (a) - (b)	\$ (7,368,430)	\$ (2,733,049)	\$ (1,861,004)	\$ (3,661,283)	\$ (3,214,043)	\$ (155,710)	\$ 347,739	\$ (1,009,802)	\$ 775,100
Plan Fiduciary Net Position as a Percentage of the Liability of Total Pension Liability	110.22%	104.21%	103.09%	106.61%	106.18%	100.32%	99.25%	102.35%	98.03%
Covered Payroll	\$ 15,597,941	\$ 14,983,974	\$ 14,290,919	\$ 12,126,709	\$ 11,180,449	\$ 10,440,155	\$ 11,036,601	\$ 10,016,147	\$ 9,406,554
Net Pension Liability as a Percentage of Covered Payroll	-47.24%	-18.24%	-13.02%	-30.19%	-28.75%	-1.49%	3.15%	-10.08%	8.24%

Notes to Schedule:

Changes of Assumptions:

For measurement date September 30, 2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in the July 1, 2019, actuarial valuation for non-special-risk lives, with appropriate risk and collar adjustments made based on plan demographics.

For measurement date September 30, 2021, the following assumption changes have been made and were adopted based on recommendations from August 6, 2021, experience study:

- Investment return assumption was reduced from 7.75% to 7.25% net of investment related expense.
- Changing the assumed salary increase rates to be 6.25% for those with less than 3 years of service, 4.75% for those with 3-5 years of service, and 3.75% for those with 10 or more years of service.
- Changing the retirement rates to be generally lower than previously assumed for normal retirement but higher for early retirement.
- Changing the assume rates of withdrawal to be generally more withdrawals than previously assumed.

* GASB Statement No. 67 was adopted for the 2014 Fiscal Year and 10-year trend information will be developed from 2013 forward.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION
LIABILITY AND RELATED RATIOS
POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN
LAST 10 FISCAL YEARS *
CITY OF ST. CLOUD, FLORIDA

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability									
Service Cost	\$ 2,909,533	\$ 2,617,000	\$ 2,066,573	\$ 1,891,141	\$ 1,829,376	\$ 1,743,397	\$ 1,534,345	\$ 1,309,112	\$ 1,209,341
Interest	5,898,018	5,191,247	4,932,417	4,646,449	4,337,544	3,975,751	3,527,267	3,331,345	3,146,732
Change in Excess State Money	-	-	-	-	-	(845,672)	167,060	179,991	-
Share Plan Allocation	220,707	171,276	41,515	61,968	41,835	-	-	-	-
Changes of Benefit Terms	2,233,122	-	(6,576)	-	-	2,314,678	-	-	-
Differences Between Expected and Actual Experience	410,709	2,482,271	(913,814)	299,766	180,857	110,348	267,013	-	-
Changes of Assumptions	2,461,875	648,903	765,708	396,811	195,056	1,685,690	393,847	367,974	-
Contributions - Buy Back	1,170	6,242	15,595	10,257	14,687	63,525	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(3,829,413)	(3,369,407)	(3,309,850)	(2,930,568)	(2,669,047)	(2,509,759)	(2,041,422)	(2,838,979)	(1,597,248)
Net Change in Total Pension Liability	10,305,721	7,747,532	3,591,568	4,375,824	3,930,308	6,537,958	3,848,110	2,349,443	2,758,825
Total Pension Liability - Beginning	73,391,636	65,644,104	62,052,536	57,676,712	53,746,404	47,208,446	43,360,336	41,010,893	38,252,068
Total Pension Liability - Ending (a)	<u>\$ 83,697,357</u>	<u>\$ 73,391,636</u>	<u>\$ 65,644,104</u>	<u>\$ 62,052,536</u>	<u>\$ 57,676,712</u>	<u>\$ 53,746,404</u>	<u>\$ 47,208,446</u>	<u>\$ 43,360,336</u>	<u>\$ 41,010,893</u>
Plan Fiduciary Net Position									
Contributions - Employer	\$ 3,457,052	\$ 3,686,111	\$ 2,898,931	\$ 2,418,708	\$ 2,417,281	\$ 2,289,411	\$ 2,416,007	\$ 2,287,355	\$ 1,816,519
Contributions - State	737,830	671,921	609,613	567,489	499,334	465,507	444,890	457,821	439,351
Contributions - Employee	587,944	595,032	542,212	452,315	451,550	394,913	376,980	347,291	304,741
Contributions - Buy Back	1,170	6,242	15,595	10,257	14,687	63,525	-	-	-
Net Investment Income	10,574,031	5,491,654	2,384,142	3,375,968	5,260,231	2,923,518	669,442	3,777,453	3,286,743
Benefit Payments, Including Refunds of Employee Contributions	(3,829,413)	(3,369,407)	(3,309,850)	(2,930,568)	(2,669,047)	(2,509,759)	(2,041,422)	(2,838,979)	(1,597,248)
Administrative Expense	(134,171)	(95,477)	(102,056)	(119,395)	(62,715)	(59,280)	(79,079)	(63,897)	(53,592)
Net Change in Plan Fiduciary Net Position	11,394,443	6,986,076	3,038,587	3,774,774	5,911,321	3,567,835	1,786,818	3,967,044	4,196,514
Plan Fiduciary Net Position - Beginning	61,834,430	54,848,354	51,809,767	48,034,993	42,123,672	38,555,837	36,769,019	32,801,975	28,605,461
Plan Fiduciary Net Position - Ending (b)	<u>73,228,873</u>	<u>61,834,430</u>	<u>54,848,354</u>	<u>51,809,767</u>	<u>48,034,993</u>	<u>42,123,672</u>	<u>38,555,837</u>	<u>36,769,019</u>	<u>32,801,975</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 10,468,484</u>	<u>\$ 11,557,206</u>	<u>\$ 10,795,750</u>	<u>\$ 10,242,769</u>	<u>\$ 9,641,719</u>	<u>\$ 11,622,732</u>	<u>\$ 8,652,609</u>	<u>\$ 6,591,317</u>	<u>\$ 8,208,918</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.49%	84.25%	83.55%	83.49%	83.28%	78.37%	81.67%	84.80%	80.00%
Covered Payroll	<u>\$ 10,586,506</u>	<u>\$ 10,721,291</u>	<u>\$ 9,769,589</u>	<u>\$ 8,149,826</u>	<u>\$ 8,136,139</u>	<u>\$ 7,743,398</u>	<u>\$ 7,806,883</u>	<u>\$ 6,809,621</u>	<u>\$ 5,975,318</u>
Net Pension Liability as a Percentage of Covered Payroll	98.89%	107.80%	110.50%	125.68%	118.50%	150.10%	110.83%	96.79%	137.38%

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION
LIABILITY AND RELATED RATIOS
POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN
LAST 10 FISCAL YEARS *
CITY OF ST. CLOUD, FLORIDA**

Notes to Schedule:

Changes of Benefit Terms:

For measurement date September 30, 2021, amounts reported as changes of benefit terms, resulted from Ordinance No. 2021-66. This ordinance provided the following benefit changes for firefighters members only.

- Effective October 1, 2020, an increase in the benefit accrual rate to 4.00%, applicable only to service accrued on or after October 1, 2020.
- Effective October 1, 2021, a normal retirement eligibility upon the completion of 20 years of credited service, regardless of age. There is no change to the age 55 with 10 years of credited service eligibility.

Additional Ordinance No. 2021-52 was adopted on September 23, 2021. This Ordinance provided a one-time increase in monthly benefits for all participants in pay status on or before October 1, 2020, (including DROP retirees) equal to a flat 2.00%.

Note that this does not apply to those who are currently entitled to the 1.00% automatic COLA.

Changes of Assumptions:

For measurement date September 30, 2021, the investment rate of return was lowered from 7.70% to 7.45% per year compounded annually, net of investment related expenses.

For measurement date September 30, 2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in the July 1, 2019 actuarial valuation for special risk lives, with appropriate risk and collar adjustments made based on plan demographics.

Additionally, the investment return was lowered from 7.8% to 7.7% per year compounded annually, net of investment related expenses.

* GASB Statement No. 67 was adopted for the 2014 Fiscal Year and 10-year trend information will be developed from 2013 forward.

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF EMPLOYER CONTRIBUTIONS
GENERAL EMPLOYEES' RETIREMENT PLAN AND
POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN
CITY OF ST. CLOUD, FLORIDA**

GENERAL EMPLOYEES' RETIREMENT PLAN

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined									
Contributions	\$ 2,297,576	\$ 2,219,126	\$ 1,880,685	\$ 1,508,563	\$ 1,675,949	\$ 1,795,707	\$ 1,981,908	\$ 2,069,336	\$ 2,145,635
Contributions in Relation to the Actuarially Determined									
Contributions	2,364,184	2,215,159	2,720,561	2,339,380	2,142,198	1,996,026	2,427,915	2,069,336	2,145,635
Contributions Deficiency (Excess)	\$ (66,608)	\$ 3,967	\$ (839,876)	\$ (830,817)	\$ (466,249)	\$ (200,319)	\$ (446,007)	\$ -	\$ -
Covered Payroll	\$ 15,597,941	\$ 14,983,974	\$ 14,290,919	\$ 12,126,709	\$ 11,180,449	\$ 10,440,155	\$ 11,036,601	\$ 10,016,147	\$ 9,406,554
Contributions as a Percentage of Covered Payroll	15.16%	14.78%	19.04%	19.29%	19.16%	19.12%	22.00%	20.66%	22.81%

POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined									
Contributions	\$ 3,974,175	\$ 4,243,487	\$ 3,746,637	\$ 2,989,357	\$ 2,712,589	\$ 2,471,693	\$ 2,515,377	\$ 2,565,185	\$ 2,094,349
Contributions in Relation to the Actuarially Determined									
Contributions	3,974,175	4,186,756	3,342,485	2,862,262	2,860,835	2,732,965	2,693,837	2,565,185	2,094,349
Contributions Deficiency (Excess)	\$ -	\$ 56,731	\$ 404,152	\$ 127,095	\$ (148,246)	\$ (261,272)	\$ (178,460)	\$ -	\$ -
Covered Payroll	\$ 10,586,506	\$ 10,721,291	\$ 9,769,589	\$ 8,149,826	\$ 8,136,139	\$ 7,743,398	\$ 7,806,883	\$ 6,809,621	\$ 5,975,318
Contributions as a Percentage of Covered Payroll	37.54%	39.05%	34.21%	35.12%	35.16%	35.29%	34.51%	37.67%	35.05%

Notes to Schedules:

Methods and Assumptions Used to Determine Contribution Rates:

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

	General Employees' Retirement Plan	Police Officers' and Firefighters' Retirement Plan										
Valuation Date	October 1, 2019	October 1, 2019										
Funding Method	Entry Age Normal Actuarial Cost Method	Entry Age Normal Actuarial Cost Method										
Asset Smoothing Methodology	Four-Year Geometric Average of Market Value Returns (Net-of-Fees)	Four-Year Geometric Average of Market Value Returns (Net-of-Fees)										
Salary Increase	Years of Service <table border="1" style="margin-left: auto; margin-right: auto;"> <tr><td><1</td><td>9.0%</td></tr> <tr><td>1</td><td>7.0%</td></tr> <tr><td>2</td><td>5.0%</td></tr> <tr><td>3-9</td><td>4.5%</td></tr> <tr><td>10+</td><td>4.0%</td></tr> </table>	<1	9.0%	1	7.0%	2	5.0%	3-9	4.5%	10+	4.0%	5.75% per Annum
<1	9.0%											
1	7.0%											
2	5.0%											
3-9	4.5%											
10+	4.0%											
Discount Rate	7.25%	7.45%										

Changes in Assumption:

Since the prior measurement date, there have been no significant changes in assumptions.

* GASB Statement No. 68 was adopted for the 2014 Fiscal Year and 10-year trend information will be developed from 2013 forward.

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF INVESTMENT RETURNS
GENERAL EMPLOYEES' RETIREMENT PLAN AND
POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN
LAST 10 FISCAL YEARS *
(UNAUDITED)
CITY OF ST. CLOUD, FLORIDA**

GENERAL EMPLOYEES' RETIREMENT PLAN

For the Year Ended September 30:	2021	2020	2019	2018	2017	2016	2015	2014	2013
Annual Money-Weighted Rate of Return Net of Investment Expense	18.09%	9.97%	4.75%	7.09%	12.11%	7.61%	1.79%	11.26%	11.35%

POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN

For the Year Ended September 30:	2021	2020	2019	2018	2017	2016	2015	2014	2013
Annual Money-Weighted Rate of Return Net of Investment Expense	17.28%	10.00%	4.60%	7.04%	12.44%	7.61%	1.80%	11.53%	11.22%

* GASB Statement No. 67 was adopted for the 2014 Fiscal Year and 10-year trend information will be developed from 2013 forward.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGE IN OTHER POSTEMPLOYMENT BENEFITS (OPEB)
LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS *
CITY OF ST. CLOUD, FLORIDA

Reporting Period Ended	2021	2020	2019	2018
Service Cost	\$ 241,617	\$ 197,295	\$ 207,500	\$ 220,490
Interest	128,090	153,163	133,657	113,192
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	-	(150,551)	-	-
Changes of Assumptions	558,499	(170,057)	(193,283)	(214,017)
Benefit Payments	(169,309)	(151,465)	(139,599)	(128,367)
Net Change in Total OPEB Liability	758,897	(121,615)	8,275	(8,702)
Total OPEB Liability - Beginning	3,420,234	3,541,849	3,533,574	3,542,276
Total OPEB Liability - Ending	\$ 4,179,131	\$ 3,420,234	\$ 3,541,849	\$ 3,533,574
Covered Payroll**	\$ 26,804,635	\$ 25,448,244	\$ 22,274,951	\$ 21,185,596
Sponsor's Total OPEB Liability as a Percentage of Covered Payroll	15.59%	13.44%	15.90%	16.68%

* GASB Statement No. 75 was adopted for the 2018 Fiscal Year and 10-year trend information will be developed from 2018 forward.

** Fiscal Year 2018 covered payroll projected based on actual Fiscal Year 2017 covered payroll.

Notes to Schedules:

Differences Between Expected and Actual Experience

Differences between expected and actual experience reflects the impact of changes to the census data from the prior valuation to the valuation as of September 30, 2019.

Changes of Assumptions

Covered payroll was projected one year forward from the valuation date for the reporting period ending September 30, 2021.

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.

The following are the discount rates used in each period:

Fiscal Year 2021	2.14%
Fiscal Year 2020	3.58%
Fiscal Year 2019	4.18%
Fiscal Year 2018	3.64%
Fiscal Year 2017	3.06%

Benefits Payment

The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2021. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

SUPPLEMENTAL INFORMATION

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

	Special Revenue Funds			
	Economic Development Fund	County Gas Tax Fund	Parks and Recreation Impact Fees Fund	Police and Fire Impact Fees Fund
Assets				
Cash and Investments	\$ 474,817	\$ 969,620	\$ 8,964,396	\$ 7,457,297
Other Receivables, Net	-	-	-	-
Due from Other Governments	-	130,157	-	-
Due from Other Funds	-	-	-	-
Prepaid Expenditures and Deposits	123	-	-	-
Total Assets	474,940	1,099,777	8,964,396	7,457,297
Liabilities and Fund Balances				
Liabilities				
Accounts and Retainage Payable	21,764	26,782	-	19,556
Accrued Liabilities	6,483	-	-	-
Due to Other Funds	-	279,570	1,512,033	-
Unearned Revenues	15,000	-	-	-
Total Liabilities	43,247	306,352	1,512,033	19,556
Fund Balances				
Non-Spendable	123	-	-	-
Restricted	353	793,425	7,452,363	7,437,741
Assigned	431,217	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	431,693	793,425	7,452,363	7,437,741
Total Liabilities and Fund Balances	\$ 474,940	\$ 1,099,777	\$ 8,964,396	\$ 7,457,297

Special Revenue Funds

Road Impact Fees Fund	Community Redevelopment Agency Fund	Capital Projects Fund	Debt Service Fund	Total
\$ -	\$ 3,608,099	\$ 1,708,157	\$ 383,540	\$ 23,565,926
168	-	-	-	168
-	-	-	-	130,157
-	-	17,585,984	-	17,585,984
-	4,080	-	-	4,203
<u>168</u>	<u>3,612,179</u>	<u>19,294,141</u>	<u>383,540</u>	<u>41,286,438</u>
-	9,766	83,009	-	160,877
-	7,132	-	-	13,615
67,631	2,465,789	-	-	4,325,023
-	-	-	-	15,000
<u>67,631</u>	<u>2,482,687</u>	<u>83,009</u>	<u>-</u>	<u>4,514,515</u>
-	4,080	-	-	4,203
-	1,125,412	19,211,132	383,540	36,403,966
-	-	-	-	431,217
(67,463)	-	-	-	(67,463)
<u>(67,463)</u>	<u>1,129,492</u>	<u>19,211,132</u>	<u>383,540</u>	<u>36,771,923</u>
<u>\$ 168</u>	<u>\$ 3,612,179</u>	<u>\$ 19,294,141</u>	<u>\$ 383,540</u>	<u>\$ 41,286,438</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

	Special Revenue Funds			
	Economic Development Fund	County Gas Tax Fund	Parks and Recreation Impact Fees Fund	Police and Fire Impact Fees Fund
Revenues				
Taxes	\$ -	\$ 1,383,442	\$ -	\$ -
Permits and Fees	-	-	-	-
Intergovernmental Revenues	-	-	3,676,079	-
Impact Fees	-	-	2,661,764	2,467,832
Grants	-	-	-	-
Investment Income	3,669	13,908	51,185	50,103
Other Revenue	193,328	-	-	-
Total Revenues	<u>196,997</u>	<u>1,397,350</u>	<u>6,389,028</u>	<u>2,517,935</u>
Expenditures				
Current:				
General Government	480	-	-	-
Public Safety	-	-	-	133,996
Transportation	37	406,011	-	-
Parks and Recreation	-	-	-	-
Economic Environment	294,825	-	-	-
Capital Outlay	-	9,921	5,760,000	51,844
Principal Payments	-	-	-	-
Interest and Fees	-	-	-	-
(Total Expenditures)	<u>(295,342)</u>	<u>(415,932)</u>	<u>(5,760,000)</u>	<u>(185,840)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(98,345)</u>	<u>981,418</u>	<u>629,028</u>	<u>2,332,095</u>
Other Financing (Uses) Sources				
Transfers to Other Funds	-	(1,446,000)	(186,434)	(955,282)
Transfers from Other Funds	160	-	1,228,282	-
Sale of Capital Assets	-	-	-	3,118
Insurance Recoveries	-	-	-	-
Total Other Financing (Uses) Sources	<u>160</u>	<u>(1,446,000)</u>	<u>1,041,848</u>	<u>(952,164)</u>
Net Change in Fund Balances	(98,185)	(464,582)	1,670,876	1,379,931
Fund Balances, Beginning of Year	<u>529,878</u>	<u>1,258,007</u>	<u>5,781,487</u>	<u>6,057,810</u>
Fund Balances, End of Year	<u>\$ 431,693</u>	<u>\$ 793,425</u>	<u>\$ 7,452,363</u>	<u>\$ 7,437,741</u>

Special Revenue Funds

Road Impact Fees Fund	Community Redevelopment Agency Fund	Capital Projects Fund	Debt Service Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ 1,383,442
1,393	-	-	-	1,393
-	1,030,738	-	-	4,706,817
-	-	-	-	5,129,596
-	-	75,827	-	75,827
9,622	27,687	10,584	-	166,758
-	207	-	-	193,535
11,015	1,058,632	86,411	-	11,657,368
-	-	-	-	480
-	-	-	-	133,996
-	31,642	-	-	437,690
-	-	-	-	-
-	517,507	-	-	812,332
-	-	3,720,776	-	9,542,541
-	-	-	3,071,028	3,071,028
-	-	-	1,031,719	1,031,719
-	(549,149)	(3,720,776)	(4,102,747)	(15,029,786)
11,015	509,483	(3,634,365)	(4,102,747)	(3,372,418)
-	(2,589,460)	(1,922,523)	-	(7,099,699)
-	614,891	11,970,344	4,099,362	17,913,039
-	-	-	-	3,118
-	-	-	-	-
-	(1,974,569)	10,047,821	4,099,362	10,816,458
11,015	(1,465,086)	6,413,456	(3,385)	7,444,040
(78,478)	2,594,578	12,797,676	386,925	29,327,883
\$ (67,463)	\$ 1,129,492	\$ 19,211,132	\$ 383,540	\$ 36,771,923

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Investment Income	\$ 3,669	\$ 12,000	\$ (8,331)
Other Revenue	193,328	192,500	828
Total Revenues	<u>196,997</u>	<u>204,500</u>	<u>(7,503)</u>
Expenditures			
Operating Expenditures	295,342	499,099	203,757
Capital Outlay	-	300	300
(Total Expenditures)	<u>(295,342)</u>	<u>(499,399)</u>	<u>204,057</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	<u>(98,345)</u>	<u>(294,899)</u>	<u>196,554</u>
Net Change in Fund Balances	(98,185)	(294,899)	196,714
Fund Balance, Beginning of Year	<u>529,878</u>	<u>529,878</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 431,693</u>	<u>\$ 234,979</u>	<u>\$ 196,714</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
COUNTY GAS TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Taxes	\$ 1,383,442	\$ 1,432,181	\$ (48,739)
Investment Income	13,908	45,362	(31,454)
Total Revenues	<u>1,397,350</u>	<u>1,477,543</u>	<u>(80,193)</u>
Expenditures			
Operating Expenditures	406,011	480,468	74,457
Capital Outlay	9,921	66,921	57,000
(Total Expenditures)	<u>(415,932)</u>	<u>(547,389)</u>	<u>131,457</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>981,418</u>	<u>930,154</u>	<u>51,264</u>
Other Financing (Uses)			
Transfers to Other Funds	(1,446,000)	(1,446,000)	-
Total Other Financing (Uses)	<u>(1,446,000)</u>	<u>(1,446,000)</u>	<u>-</u>
Net Change in Fund Balances	(464,582)	(515,846)	51,264
Fund Balance, Beginning of Year	<u>1,258,007</u>	<u>1,258,007</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 793,425</u>	<u>\$ 742,161</u>	<u>\$ 51,264</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PARKS AND RECREATION IMPACT FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Intergovernmental Revenues	\$ 3,676,079	\$ 2,000,000	\$ 1,676,079
Impact Fees	2,661,764	2,541,954	119,810
Investment Income	51,185	41,291	9,894
Total Revenues	<u>6,389,028</u>	<u>4,583,245</u>	<u>1,805,783</u>
Expenditures			
Capital Outlay	5,760,000	5,918,000	158,000
(Total Expenditures)	<u>(5,760,000)</u>	<u>(5,918,000)</u>	<u>158,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>629,028</u>	<u>(1,334,755)</u>	<u>1,963,783</u>
Other Financing (Uses) Sources			
Transfers to Other Funds	(186,434)	(186,434)	-
Transfers from Other Funds	1,228,282	1,228,282	-
Total Other Financing (Uses) Sources	<u>1,041,848</u>	<u>1,041,848</u>	<u>-</u>
Net Change in Fund Balances	1,670,876	(292,907)	1,963,783
Fund Balance, Beginning of Year	<u>5,781,487</u>	<u>5,781,487</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 7,452,363</u>	<u>\$ 5,488,580</u>	<u>\$ 1,963,783</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
POLICE AND FIRE IMPACT FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Impact Fees	\$ 2,467,832	\$ 2,158,453	\$ 309,379
Investment Income	50,103	59,585	(9,482)
Total Revenues	<u>2,517,935</u>	<u>2,218,038</u>	<u>299,897</u>
Expenditures			
Operating Expenditures	133,996	218,600	84,604
Capital Outlay	51,844	285,395	233,551
(Total Expenditures)	<u>(185,840)</u>	<u>(503,995)</u>	<u>318,155</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,332,095</u>	<u>1,714,043</u>	<u>618,052</u>
Other Financing (Uses) Sources			
Transfers to Other Funds	(955,282)	(955,282)	-
Sale of Capital Assets	3,118	-	3,118
Total Other Financing (Uses) Sources	<u>(952,164)</u>	<u>(955,282)</u>	<u>3,118</u>
Net Change in Fund Balances	1,379,931	758,761	621,170
Fund Balance, Beginning of Year	<u>6,057,810</u>	<u>6,057,810</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 7,437,741</u>	<u>\$ 6,816,571</u>	<u>\$ 621,170</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ROAD IMPACT FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Permits and Fees	\$ 1,393	\$ -	\$ 1,393
Investment Income	9,622	75,800	(66,178)
Total Revenues	<u>11,015</u>	<u>75,800</u>	<u>(64,785)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,015</u>	<u>75,800</u>	<u>(64,785)</u>
Other Financing (Uses) Sources			
Transfers to Other Funds	-	(2,633,294)	2,633,294
Transfers from Other Funds	-	-	-
Total Other Financing (Uses) Sources	<u>-</u>	<u>(2,633,294)</u>	<u>2,633,294</u>
Net Change in Fund Balances	11,015	(2,557,494)	2,568,509
Fund Balance, Beginning of Year	<u>(78,478)</u>	<u>(78,478)</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (67,463)</u>	<u>\$ (2,635,972)</u>	<u>\$ 2,568,509</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT AGENCY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$ 1,030,738	\$ 1,030,738	\$ -
Investment Income	27,687	34,765	(7,078)
Other Revenue	207	-	207
Total Revenues	<u>1,058,632</u>	<u>1,065,503</u>	<u>(6,871)</u>
Expenditures			
Current:			
Operating Expenditures	549,149	820,651	271,502
Capital Outlay	-	245,219	245,219
(Total Expenditures)	<u>(549,149)</u>	<u>(1,065,870)</u>	<u>516,721</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>509,483</u>	<u>(367)</u>	<u>509,850</u>
Other Financing (Uses) Sources			
Transfers from Other Funds	614,891	581,596	33,295
Transfers to Other Funds	(2,589,460)	(2,589,460)	-
Sale of Capital Assets	-	-	-
Total Other Financing (Uses) Sources	<u>(1,974,569)</u>	<u>(2,007,864)</u>	<u>33,295</u>
Net Change in Fund Balances	(1,465,086)	(2,008,231)	543,145
Fund Balance, Beginning of Year	<u>2,594,578</u>	<u>2,594,578</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,129,492</u>	<u>\$ 586,347</u>	<u>\$ 543,145</u>

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Grants	\$ 75,827	\$ -	\$ 75,827
Investment Income	10,584	-	10,584
Total Revenues	<u>86,411</u>	<u>-</u>	<u>86,411</u>
Expenditures			
Capital Outlay	3,720,776	13,318,696	9,597,920
(Total Expenditures)	<u>(3,720,776)</u>	<u>(13,318,696)</u>	<u>9,597,920</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,634,365)</u>	<u>(13,318,696)</u>	<u>9,684,331</u>
Other Financing Sources (Uses)			
Transfers to Other Funds	(1,922,523)	(1,866,978)	(55,545)
Transfers from Other Funds	11,970,344	13,139,344	(1,169,000)
Total Other Financing Sources (Uses)	<u>10,047,821</u>	<u>11,272,366</u>	<u>(1,224,545)</u>
Net Change in Fund Balances	6,413,456	(2,046,330)	8,459,786
Fund Balance, Beginning of Year	<u>12,797,676</u>	<u>12,797,676</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 19,211,132</u>	<u>\$ 10,751,346</u>	<u>\$ 8,459,786</u>

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Debt Service:			
Principal Payments	3,071,028	3,071,031	3
Interest and Fees	1,031,719	1,037,834	6,115
(Total Expenditures)	<u>(4,102,747)</u>	<u>(4,108,865)</u>	<u>6,118</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,102,747)</u>	<u>(4,108,865)</u>	<u>6,118</u>
Other Financing Sources			
Transfers from Other Funds	4,099,362	4,108,865	(9,503)
Refunding Bonds Issued	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-
Total Other Financing Sources	<u>4,099,362</u>	<u>4,108,865</u>	<u>(9,503)</u>
Net Change in Fund Balances	(3,385)	-	(3,385)
Fund Balances, Beginning of Year	<u>386,925</u>	<u>386,925</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 383,540</u>	<u>\$ 386,925</u>	<u>\$ (3,385)</u>

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	Motor Pool Fund	Self- Insurance Fund Health	Self- Insurance Fund Workers' Comp	Total
Assets				
Current Assets				
Cash and Investments	\$ 39,552	\$ 1,807,697	\$ 1,424,293	\$ 3,271,542
Total Current Assets	<u>39,552</u>	<u>1,807,697</u>	<u>1,424,293</u>	<u>3,271,542</u>
Non-Current Assets				
Net Pension Asset	119,369	-	-	119,369
Capital Assets:				
Property, Plant and Equipment	408,276	181,185	-	589,461
(Accumulated Depreciation and Amortization)	(327,315)	(64,491)	-	(391,806)
Total Capital Assets - Cost Less Depreciation	<u>80,961</u>	<u>116,694</u>	<u>-</u>	<u>197,655</u>
Total Non-Current Assets	<u>200,330</u>	<u>116,694</u>	<u>-</u>	<u>317,024</u>
Total Assets	<u><u>239,882</u></u>	<u><u>1,924,391</u></u>	<u><u>1,424,293</u></u>	<u><u>3,588,566</u></u>
Deferred Outflows of Resources				
Pension Related	45,584	-	-	45,584
OPEB Related	8,753	-	-	8,753
Total Deferred Outflows of Resources	<u>54,337</u>	<u>-</u>	<u>-</u>	<u>54,337</u>
Liabilities and Net Position				
Current Liabilities				
Accounts Payable	181,694	688,095	31,056	900,845
Claims Payable	-	285,373	377,000	662,373
Accrued Expenses	25,400	-	-	25,400
Compensated Absences	12,784	-	-	12,784
OPEB Liability	8,753	-	-	8,753
Total Current Liabilities	<u>228,631</u>	<u>973,468</u>	<u>408,056</u>	<u>1,610,155</u>
Long-Term Liabilities				
Compensated Absences	8,522	-	-	8,522
OPEB Liability	44,840	-	-	44,840
Total Long-Term Liabilities	<u>53,362</u>	<u>-</u>	<u>-</u>	<u>53,362</u>
Total Liabilities	<u>281,993</u>	<u>973,468</u>	<u>408,056</u>	<u>1,663,517</u>
Deferred Inflows of Resources				
Pension Related	91,313	-	-	91,313
OPEB Related	6,375	-	-	6,375
Total Deferred Inflows of Resources	<u>97,688</u>	<u>-</u>	<u>-</u>	<u>97,688</u>
Net Position				
Net Investment in Capital Assets	80,961	116,694	-	197,655
Restricted for:				
Pension	119,369	-	-	119,369
Unrestricted	(285,792)	834,229	1,016,237	1,564,674
Total Net Position	<u><u>\$ (85,462)</u></u>	<u><u>\$ 950,923</u></u>	<u><u>\$ 1,016,237</u></u>	<u><u>\$ 1,881,698</u></u>

**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

	Motor Pool Fund	Self- Insurance Fund Health	Self- Insurance Fund Workers' Comp	Total
Operating Revenues				
Charges for Services	\$ 1,477,879	\$ 6,474,796	\$ 816,466	\$ 8,769,141
Other	-	205,466	-	205,466
Total Operating Revenues	<u>1,477,879</u>	<u>6,680,262</u>	<u>816,466</u>	<u>8,974,607</u>
Operating Expenses				
Personnel Service	452,109	-	-	452,109
Materials and Supplies	33,509	-	-	33,509
Other Services and Charges	994,559	694,662	134,498	1,823,719
Contractual Services	11	452,229	28,489	480,729
Claims	-	5,463,002	883,514	6,346,516
Depreciation and Amortization	30,423	4,181	-	34,604
Total Operating Expenses	<u>1,510,611</u>	<u>6,614,074</u>	<u>1,046,501</u>	<u>9,171,186</u>
Operating (Loss) Income	<u>(32,732)</u>	<u>66,188</u>	<u>(230,035)</u>	<u>(196,579)</u>
Non-Operating Revenues				
Investment Earnings	-	14,304	14,335	28,639
Total Non-Operating Revenues (Expenses)	<u>-</u>	<u>14,304</u>	<u>14,335</u>	<u>28,639</u>
Income Before Transfers	<u>(32,732)</u>	<u>80,492</u>	<u>(215,700)</u>	<u>(167,940)</u>
Transfers				
Transfers from Other Funds	12,517	-	-	12,517
Transfers to Other Funds	-	-	(1,500,000)	(1,500,000)
Total Transfers	<u>12,517</u>	<u>-</u>	<u>(1,500,000)</u>	<u>(1,487,483)</u>
Change in Net Position	<u>(20,215)</u>	<u>80,492</u>	<u>(1,715,700)</u>	<u>(1,655,423)</u>
Net Position, Beginning of Year	<u>(65,247)</u>	<u>870,431</u>	<u>2,731,937</u>	<u>3,537,121</u>
Net Position, End of Year	<u>\$ (85,462)</u>	<u>\$ 950,923</u>	<u>\$ 1,016,237</u>	<u>\$ 1,881,698</u>

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA

	Motor Pool Fund	Self- Insurance Fund Health	Self- Insurance Fund Workers' Comp	Total
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 1,477,745	\$ 6,680,262	\$ 816,466	\$ 8,974,473
Cash Paid to Suppliers	(986,189)	(6,943,935)	(1,032,815)	(8,962,939)
Cash Paid to Employees for Services	(455,265)	-	-	(455,265)
Net Cash Provided by (Used in) Operating Activities	<u>36,291</u>	<u>(263,673)</u>	<u>(216,349)</u>	<u>(443,731)</u>
Cash Flows from Non-Capital Financing Activities				
Transfer from Other Funds	12,517	-	-	12,517
Interfund Loan Receipts (Payments)	(914)	-	-	(914)
Transfer to Other Funds	-	-	(1,500,000)	(1,500,000)
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>11,603</u>	<u>-</u>	<u>(1,500,000)</u>	<u>(1,488,397)</u>
Cash Flows from Capital and Related Financing Activities				
Property, Plant and Equipment Acquisitions	(8,342)	-	-	(8,342)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(8,342)</u>	<u>-</u>	<u>-</u>	<u>(8,342)</u>
Cash Flows from Investing Activities				
Investment Earnings	-	14,304	14,335	28,639
Total Cash Flows from Investing Activities	<u>-</u>	<u>14,304</u>	<u>14,335</u>	<u>28,639</u>
Net Increase (Decrease) in Cash and Cash Equivalents	39,552	(249,369)	(1,702,014)	(1,911,831)
Cash and Cash Equivalents, Beginning of Year	-	2,057,066	3,126,307	5,183,373
Cash and Cash Equivalents, End of Year	<u>\$ 39,552</u>	<u>\$ 1,807,697</u>	<u>\$ 1,424,293</u>	<u>\$ 3,271,542</u>
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ (32,732)	\$ 66,188	\$ (230,035)	\$ (196,579)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating Activities:				
Depreciation and Amortization	30,423	4,181	-	34,604
Bad Debt Expense	134	-	-	134
Changes in Assets Decrease (Increase) and Liabilities Increase (Decrease):				
Accounts Receivable	(134)	-	-	(134)
Prepays	1,556	88	-	1,644
Accounts Payable	40,200	(334,130)	13,686	(280,244)
Accrued Expenses	2,300	-	-	2,300
Compensated Absences	3,085	-	-	3,085
Net OPEB Liability	10,143	-	-	10,143
Net Pension Liability	(18,684)	-	-	(18,684)
Total Adjustments	<u>69,023</u>	<u>(329,861)</u>	<u>13,686</u>	<u>(247,152)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 36,291</u>	<u>\$ (263,673)</u>	<u>\$ (216,349)</u>	<u>\$ (443,731)</u>

STATISTICAL SECTION

Statistical tables differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. They reflect social and economic data, financial trends and the fiscal capacity of the government.

**STATISTICAL SECTION
(UNAUDITED)**

STATISTICAL SECTION

This part of the City of St. Cloud's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	Page
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	92
Revenue Capacity	
<i>These schedules contain information to help the reader access the factors related to the City's most significant local revenue sources, property tax, and sanitation revenue.</i>	102
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.</i>	108
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.</i>	116
Operating Information	
<i>These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.</i>	119

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF ST. CLOUD
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental Activities:				
Net Investment in Capital Assets	\$ 83,793,736	\$ 80,684,971	\$ 85,331,016	\$ 84,202,671
Restricted	22,362,220	24,252,783	21,461,732	21,727,219
Unrestricted	10,054,846	8,689,621	6,972,600	604,507
Total Governmental Activities Net Position	<u><u>\$ 116,210,802</u></u>	<u><u>\$ 113,627,375</u></u>	<u><u>\$ 113,765,348</u></u>	<u><u>\$ 106,534,397</u></u>
Business-Type Activities:				
Net Investment in Capital Assets	\$ 131,137,117	\$ 137,555,487	\$ 141,169,776	\$ 151,857,889
Restricted	8,048,342	8,438,669	7,952,299	10,834,748
Unrestricted	4,431,718	6,069,480	5,502,670	(1,737,439)
Total Business-Type Activities Net Position	<u><u>\$ 143,617,177</u></u>	<u><u>\$ 152,063,636</u></u>	<u><u>\$ 154,624,745</u></u>	<u><u>\$ 160,955,198</u></u>
Primary Government:				
Net Investment in Capital Assets	\$ 214,930,853	\$ 218,240,458	\$ 226,500,792	\$ 236,060,560
Restricted	30,410,562	32,691,452	29,414,031	32,561,967
Unrestricted	14,486,564	14,759,101	12,475,270	(1,132,932)
Total Government Net Position	<u><u>\$ 259,827,979</u></u>	<u><u>\$ 265,691,011</u></u>	<u><u>\$ 268,390,093</u></u>	<u><u>\$ 267,489,595</u></u>

2016	2017	2018	2019	2020	2021
\$ 85,880,700	\$ 87,972,999	\$ 93,017,432	\$ 98,669,983	\$ 97,971,031	\$ 106,853,944
23,894,073	30,078,552	33,378,737	39,195,441	48,780,445	57,561,348
(1,511,563)	11,891	2,537,652	4,781,245	6,467,944	2,780,592
<u>\$ 108,263,210</u>	<u>\$ 118,063,442</u>	<u>\$ 128,933,821</u>	<u>\$ 142,646,669</u>	<u>\$ 153,219,420</u>	<u>\$ 167,195,884</u>
\$ 158,947,255	\$ 166,769,263	\$ 180,191,229	\$ 197,342,570	\$ 203,952,152	\$ 213,749,760
14,121,470	22,125,273	25,548,508	34,226,595	42,742,538	77,918,749
4,624,644	2,789,769	7,778,743	13,078,688	23,832,779	19,467,718
<u>\$ 177,693,369</u>	<u>\$ 191,684,305</u>	<u>\$ 213,518,480</u>	<u>\$ 244,647,853</u>	<u>\$ 270,527,469</u>	<u>\$ 311,136,227</u>
\$ 244,827,955	\$ 254,742,262	\$ 273,208,661	\$ 296,012,553	\$ 301,923,183	\$ 320,603,704
38,015,543	52,203,825	58,927,245	73,422,036	91,522,983	135,480,097
3,113,081	2,801,660	10,316,395	17,859,933	30,300,723	22,248,310
<u>\$ 285,956,579</u>	<u>\$ 309,747,747</u>	<u>\$ 342,452,301</u>	<u>\$ 387,294,522</u>	<u>\$ 423,746,889</u>	<u>\$ 478,332,111</u>

CITY OF ST. CLOUD
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015
Expenses				
Governmental Activities:				
General Government	\$ 5,570,429	\$ 6,794,742	\$ 6,699,618	\$ 5,957,502
Public Safety	15,371,634	16,112,807	18,302,419	19,760,542
Transportation	5,919,165	6,733,514	6,906,016	6,955,858
Parks and Recreation	3,754,797	3,723,262	4,005,833	4,390,950
Economic Environment	472,221	453,250	1,003,322	370,796
Electric System	1,138,813	1,006,715	966,718	966,718
Interest and Fees	3,159,424	3,036,766	3,266,350	2,656,112
Total Governmental Activities Expenses	35,386,483	37,861,056	41,150,276	41,058,478
Business-Type Activities:				
Water Utility	7,144,701	7,285,644	9,117,346	10,453,220
Sewer Utility	10,666,597	9,945,058	10,583,868	10,416,969
Sanitation Utility	8,103,475	7,985,952	8,645,749	9,163,140
Stormwater Utility	1,319,998	1,428,549	1,542,745	1,513,019
Development Special District	830,792	834,784	2,818,270	1,867,943
Building Department	-	-	-	-
Total Business-Type Activities Expenses	28,065,563	27,479,987	32,707,978	33,414,291
Total Primary Government Expenses	\$ 63,452,046	\$ 65,341,043	\$ 73,858,254	\$ 74,472,769
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 666,069	\$ 600,440	\$ 638,914	\$ 658,094
Public Safety	2,104,907	2,510,798	3,800,955	3,437,009
Parks and Recreation	516,935	606,861	653,553	800,219
Electric System	8,841,788	8,670,138	8,291,746	6,037,029
Operating Grants and Contributions	945,158	1,012,627	929,685	1,775,572
Capital Grants and Contributions	2,697,937	3,527,608	5,295,196	3,782,450
Total Governmental Activities	15,772,794	16,928,472	19,610,049	16,490,373
Business-Type Activities:				
Charges for Services:				
Water Utility	7,079,078	7,948,291	8,823,640	9,932,740
Sewer Utility	7,980,977	8,468,777	8,693,581	9,576,991
Sanitation Utility	9,131,690	8,475,746	8,396,471	9,343,414
Stormwater Utility	1,535,675	1,587,630	1,544,259	1,675,477
Development Special District	418	-	1,579,500	1,260,000
Building Department	-	-	-	-
Operating Grants and Contributions	14,500	9,000	28,311	11,446
Capital Grants and Contributions	2,705,633	9,722,779	7,855,974	9,860,932
Total Business-Type Activities	28,447,971	36,212,223	36,921,736	41,661,000
Total Primary Government Program Revenues	\$ 44,220,765	\$ 53,140,695	\$ 56,531,785	\$ 58,151,373

	2016	2017	2018	2019	2020	2021
\$	4,946,449	\$ 5,483,691	\$ 5,352,138	\$ 6,664,995	\$ 5,903,303	\$ 8,804,811
	23,098,871	22,074,869	23,119,191	26,392,331	27,934,401	30,294,503
	6,707,860	6,398,831	7,160,776	7,671,124	7,639,113	9,201,916
	4,398,586	4,489,325	4,828,059	5,252,656	5,008,231	6,001,879
	552,186	415,412	445,148	642,925	769,691	1,109,065
	315,708	1,557,188	894,125	699,213	472,177	145,079
	2,581,830	2,500,440	2,402,654	2,275,732	1,166,069	1,081,340
	42,601,490	42,919,756	44,202,091	49,598,976	48,892,985	56,638,593
	10,960,222	11,550,809	12,216,311	13,196,615	13,344,125	13,610,524
	10,622,167	11,156,101	11,613,763	12,140,863	12,971,698	13,081,821
	9,263,695	10,030,131	10,881,717	11,673,867	10,605,845	10,601,755
	1,764,047	2,225,592	2,132,730	2,432,995	2,633,013	2,500,567
	764,474	1,677,999	1,750,321	760,866	767,333	8,927,518
	-	-	1,281,754	1,758,767	2,266,932	2,967,520
	33,374,605	36,640,632	39,876,596	41,963,973	42,588,946	51,689,705
\$	75,976,095	\$ 79,560,388	\$ 84,078,687	\$ 91,562,949	\$ 91,481,931	\$ 108,328,298
\$	758,852	\$ 869,902	\$ 881,452	\$ 1,061,749	\$ 975,210	\$ 1,243,389
	4,541,906	5,677,410	4,171,948	4,454,629	4,859,895	6,207,581
	748,009	798,307	812,796	799,604	379,500	708,289
	6,467,419	6,860,168	7,285,569	7,009,383	7,579,892	8,019,487
	874,952	960,078	994,344	1,465,076	818,683	1,150,625
	6,870,964	7,955,513	12,666,902	15,241,261	12,097,943	18,909,074
	20,262,102	23,121,378	26,813,011	30,031,702	26,711,123	36,238,445
	11,069,722	12,894,803	12,884,069	13,826,534	14,460,327	16,305,286
	10,455,509	11,397,816	11,995,161	12,904,153	14,399,344	15,742,020
	10,244,028	11,078,291	12,207,178	12,358,305	11,996,998	12,970,936
	1,777,726	1,805,823	1,891,786	2,012,811	2,117,139	2,225,280
	7,787	8,011	-	-	-	8,137,284
	-	-	2,592,556	3,111,893	2,906,348	3,607,308
	893,355	744,000	1,336,259	160,384	717,214	-
	16,784,716	18,149,610	23,016,662	31,221,199	24,060,260	34,579,356
	51,232,843	56,078,354	65,923,671	75,595,279	70,657,630	93,567,470
\$	71,494,945	\$ 79,199,732	\$ 92,736,682	\$ 105,626,981	\$ 97,368,753	\$ 129,805,915

CITY OF ST. CLOUD
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
(Concluded)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Net (Expense)/Revenue				
Governmental Activities	\$ (19,613,689)	\$ (20,932,584)	\$ (21,540,227)	\$ (24,568,105)
Business-Type Activities	382,408	8,732,236	4,213,758	8,246,709
Total Primary Government Net Expense	<u>\$ (19,231,281)</u>	<u>\$ (12,200,348)</u>	<u>\$ (17,326,469)</u>	<u>\$ (16,321,396)</u>
General Revenues and Other				
Changes in Net Position				
Governmental Activities:				
General Revenues:				
Property Taxes	\$ 5,724,332	\$ 5,527,393	\$ 5,979,320	\$ 6,524,415
Intergovernmental, Unrestricted	3,734,137	3,517,151	3,850,890	4,206,415
Other Taxes	7,363,315	8,220,292	9,173,342	9,074,772
Investment Income	618,217	92,726	379,388	558,801
Miscellaneous	986,651	648,564	1,010,226	847,325
Transfers	(5,932,919)	343,073	1,659,984	2,641,419
Total Governmental Activities	<u>12,493,733</u>	<u>18,349,199</u>	<u>22,053,150</u>	<u>23,853,147</u>
Business-Type Activities:				
Investment Income	320,353	57,295	66,650	287,235
Miscellaneous	-	-	-	-
Transfers	5,932,919	(343,073)	(1,659,984)	(2,641,419)
Total Business-Type Activities	<u>6,253,272</u>	<u>(285,778)</u>	<u>(1,593,334)</u>	<u>(2,354,184)</u>
Total Primary Government General Revenues and Other Changes in Net Position	<u>\$ 18,747,005</u>	<u>\$ 18,063,421</u>	<u>\$ 20,459,816</u>	<u>\$ 21,498,963</u>
Change in Net Position				
Governmental Activities	\$ (7,119,956)	\$ (2,583,385)	\$ 512,923	\$ (714,958)
Business-Type Activities	6,635,680	8,446,458	2,620,424	5,892,525
Total Primary Government Change in Net Position	<u>\$ (484,276)</u>	<u>\$ 5,863,073</u>	<u>\$ 3,133,347</u>	<u>\$ 5,177,567</u>

2016	2017	2018	2019	2020	2021
\$ (22,339,388)	\$ (19,798,378)	\$ (17,389,080)	\$ (19,567,274)	\$ (22,181,862)	\$ (20,400,148)
17,858,238	19,437,722	26,047,075	33,631,306	28,068,684	41,877,765
<u>\$ (4,481,150)</u>	<u>\$ (360,656)</u>	<u>\$ 8,657,995</u>	<u>\$ 14,064,032</u>	<u>\$ 5,886,822</u>	<u>\$ 21,477,617</u>

\$ 7,263,646	\$ 7,889,505	\$ 8,949,522	\$ 10,170,449	\$ 11,741,556	\$ 13,576,178
4,512,622	4,848,217	5,895,419	6,381,177	5,658,982	6,642,926
9,545,394	9,743,963	10,406,248	10,758,255	10,157,070	11,381,067
385,495	318,793	615,028	1,478,383	1,050,336	567,682
1,037,481	1,197,474	399,359	660,190	922,390	265,611
1,323,563	5,630,658	1,955,487	3,831,668	3,224,279	1,943,148
<u>24,068,201</u>	<u>29,628,610</u>	<u>28,221,063</u>	<u>33,280,122</u>	<u>32,754,613</u>	<u>34,376,612</u>

203,496	183,272	486,183	1,329,735	1,035,211	674,141
-	-	-	-	-	-
<u>(1,323,563)</u>	<u>(5,630,658)</u>	<u>(1,955,487)</u>	<u>(3,831,668)</u>	<u>(3,224,279)</u>	<u>(1,943,148)</u>
<u>(1,120,067)</u>	<u>(5,447,386)</u>	<u>(1,469,304)</u>	<u>(2,501,933)</u>	<u>(2,189,068)</u>	<u>(1,269,007)</u>

<u>\$ 22,948,134</u>	<u>\$ 24,181,224</u>	<u>\$ 26,751,759</u>	<u>\$ 30,778,189</u>	<u>\$ 30,565,545</u>	<u>\$ 33,107,605</u>
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\$ 1,728,813	\$ 9,830,232	\$ 10,831,983	\$ 13,712,848	\$ 10,572,751	\$ 13,976,464
16,738,171	13,990,336	24,577,771	31,129,373	25,879,616	40,608,758

<u>\$ 18,466,984</u>	<u>\$ 23,820,568</u>	<u>\$ 35,409,754</u>	<u>\$ 44,842,221</u>	<u>\$ 36,452,367</u>	<u>\$ 54,585,222</u>
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CITY OF ST. CLOUD
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund				
Non-Spendable	\$ 2,518,046	\$ 2,451,601	\$ 2,442,265	\$ 2,028,328
Restricted	125,959	35,011	710,839	310,896
Assigned	3,179,659	2,704,016	4,087,045	4,231,520
Unassigned	3,273,644	3,939,062	3,407,545	2,918,251
Total General Fund	<u>\$ 9,097,308</u>	<u>\$ 9,129,690</u>	<u>\$ 10,647,694</u>	<u>\$ 9,488,995</u>
All Other Governmental Funds				
Non-Spendable	\$ 371,689	\$ 392,900	\$ 380,195	\$ 507,310
Restricted	29,011,044	26,969,155	23,213,807	22,957,746
Assigned	2,349,509	1,540,480	1,094,998	1,249,540
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u>\$ 31,732,242</u>	<u>\$ 28,902,535</u>	<u>\$ 24,689,000</u>	<u>\$ 24,714,596</u>

Note:

Beginning in fiscal year 2011, fund balance classifications have been revised due to the implementation of GASB Statement No. 54.

2016	2017	2018	2019	2020	2021
\$ 1,801,074	\$ 1,836,846	\$ 1,777,917	\$ 1,973,964	\$ 1,936,943	\$ 3,443,608
892,953	1,265,947	39,938	42,573	29,309	29,537
207,172	31,854	1,433,135	1,001,880	3,383,003	5,053,709
7,281,247	10,169,034	10,697,849	10,080,338	8,209,189	6,960,118
<u>\$ 10,182,446</u>	<u>\$ 13,303,681</u>	<u>\$ 13,948,839</u>	<u>\$ 13,098,755</u>	<u>\$ 13,558,444</u>	<u>\$ 15,486,972</u>
\$ 1,638	\$ 1,305	\$ 1,522	\$ 2,705	\$ 846	\$ 4,203
26,191,375	30,249,805	32,516,986	39,339,956	48,279,648	54,895,867
808,919	260,379	341,686	1,398,640	1,431,831	1,687,784
-	(146,821)	(108,404)	(481,795)	(78,478)	(67,463)
<u>\$ 27,001,932</u>	<u>\$ 30,364,668</u>	<u>\$ 32,751,790</u>	<u>\$ 40,259,506</u>	<u>\$ 49,633,847</u>	<u>\$ 56,520,391</u>

CITY OF ST. CLOUD
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015
Revenues				
Taxes	\$ 13,688,810	\$ 13,747,685	\$ 14,691,833	\$ 15,599,187
Licenses and Permits	2,614,851	3,213,534	3,207,093	3,686,839
Intergovernmental	4,299,705	4,310,955	4,505,628	4,887,562
Charges for Services	2,005,328	2,172,825	10,982,679	8,958,552
Fines and Forfeitures	305,678	227,983	188,216	150,204
Grants	90,181	461,348	1,923,534	1,075,282
Investment Income	618,221	92,707	318,742	558,801
Other Revenues	3,194,486	2,338,838	1,689,454	1,496,163
Total Revenues	35,659,046	35,236,013	37,507,179	36,412,590
Expenditures				
Current:				
General Government	5,981,125	6,262,085	4,895,805	4,933,674
Public Safety	14,204,511	14,878,555	16,984,759	18,560,826
Physical Environment	-	-	304	-
Transportation	2,543,154	2,309,765	2,407,052	2,352,860
Parks and Recreation	2,685,031	2,776,356	2,882,584	3,239,828
Economic Environment	474,680	454,552	1,003,322	370,884
Capital Outlay	12,909,124	4,164,800	5,956,120	4,518,763
Debt Service:				
Principal Retirement	4,315,931	4,466,055	4,407,950	2,678,142
Interest and Fees	3,158,796	3,045,367	3,313,472	2,658,275
Debt Issuance Costs	-	-	-	-
(Total Expenditures)	(46,272,352)	(38,357,535)	(41,851,368)	(39,313,252)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,613,306)	(3,121,522)	(4,344,189)	(2,900,662)
Other Financing Sources (Uses)				
Issuance of Debt	-	-	-	-
Bond Premium	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Transfers in/from Other Funds	15,253,836	14,797,585	14,662,831	17,264,505
Transfers (out)/(to) Other Funds	(21,186,755)	(14,473,388)	(13,014,173)	(14,983,741)
Sale of Capital Assets	-	-	-	-
Insurance Recoveries	-	-	-	-
Other Financing Sources (Uses)	(5,932,919)	324,197	1,648,658	2,280,764
Net Change in Fund Balances	\$ (16,546,225)	\$ (2,797,325)	\$ (2,695,531)	\$ (619,898)
Debt Service as a Percentage of Non-Capital Expenditures	22.4%	22.0%	21.5%	15.3%

	2016	2017	2018	2019	2020	2021
\$	16,809,041	\$ 17,633,468	\$ 19,355,770	\$ 20,928,705	\$ 21,898,628	\$ 24,957,243
	6,848,369	8,359,304	8,356,146	11,957,241	11,772,765	15,782,303
	5,164,335	5,580,674	6,538,387	7,071,498	5,765,943	10,319,004
	9,478,806	10,230,842	10,838,656	11,048,764	11,466,179	12,840,722
	190,264	205,461	153,285	162,109	105,044	186,650
	373,532	685,407	443,684	1,215,078	1,028,528	1,338,040
	385,422	317,261	615,028	1,478,386	1,050,338	567,683
	1,700,547	1,596,474	851,678	1,037,675	622,539	632,747
	<u>40,950,316</u>	<u>44,608,891</u>	<u>47,152,634</u>	<u>54,899,456</u>	<u>53,709,964</u>	<u>66,624,392</u>
	5,291,917	6,120,256	5,448,154	6,314,706	6,047,977	7,285,082
	19,708,851	20,443,363	21,308,489	24,124,422	26,107,192	27,386,170
	-	-	-	-	-	-
	1,844,756	1,536,532	1,880,374	2,209,756	2,342,751	3,926,483
	3,245,669	3,447,659	3,763,598	4,050,481	3,918,648	4,484,740
	550,898	422,255	451,677	638,426	781,430	1,088,807
	4,190,641	6,277,401	8,057,599	8,936,769	4,630,186	13,012,081
	2,892,145	3,055,355	2,794,661	2,574,751	2,985,118	3,071,028
	2,540,894	2,452,757	2,371,289	2,255,245	1,087,982	1,031,719
	-	-	-	-	-	-
	<u>(40,265,771)</u>	<u>(43,755,578)</u>	<u>(46,075,841)</u>	<u>(51,104,556)</u>	<u>(47,901,284)</u>	<u>(61,286,110)</u>
	684,545	853,313	1,076,793	3,794,900	5,808,680	5,338,282
	972,490	-	-	-	35,585,000	-
	-	-	-	-	-	-
	-	-	-	-	(35,493,000)	-
	19,916,711	28,485,467	18,210,264	23,228,627	24,451,244	33,922,724
	(18,592,959)	(22,854,809)	(16,254,777)	(20,365,895)	(21,226,965)	(30,492,093)
	-	-	-	-	464,386	27,333
	-	-	-	-	244,685	18,826
	<u>2,296,242</u>	<u>5,630,658</u>	<u>1,955,487</u>	<u>2,862,732</u>	<u>4,025,350</u>	<u>3,476,790</u>
\$	<u>2,980,787</u>	<u>\$ 6,483,971</u>	<u>\$ 3,032,280</u>	<u>\$ 6,657,632</u>	<u>\$ 9,834,030</u>	<u>\$ 8,815,072</u>
	15.1%	14.7%	13.6%	11.5%	9.4%	8.5%

CITY OF ST. CLOUD
Sanitation Revenue Indicators
Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Annual Tonnage										
City	20,654	21,616	22,622	23,805	25,135	27,416	29,155	29,706	31,005	50,195
Non-City	70,568	64,042	58,888	68,648	71,276	74,718	80,859	78,638	73,692	63,278
Total	<u>91,222</u>	<u>85,658</u>	<u>81,510</u>	<u>92,453</u>	<u>96,411</u>	<u>102,134</u>	<u>110,014</u>	<u>108,344</u>	<u>104,697</u>	<u>113,473</u>
Rates										
City	\$44	\$44	\$44	\$47	\$42	\$42	\$42	\$42	\$42	\$42
Non-City	44	44	44	47	47	49	49	51	51	51
Customers										
Residential	15,277	15,011	15,048	15,669	16,874	17,420	18,533	19,660	20,795	22,262
Commercial	418	442	459	458	278	567	309	338	325	386
Shared Containers	-	-	-	-	142	143	153	157	159	142
Dumpsters	340	364	362	361	326	380	346	404	390	410
Rates										
Curbside:										
Residential	\$17	\$17	\$17	\$18	\$18	\$18	\$18	\$18	\$20	\$20
Commercial	17	17	17	18	18	18	18	18	20	20
Additional	100	100	100	100	100	100	100	100	100	100
Dumpsters	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable

CITY OF ST. CLOUD
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2012	1,130,021,903	1,701,176,314	68,259,867	83,016,192
2013	1,096,284,020	1,669,866,208	70,515,273	364,835,412
2014	1,140,657,725	1,777,302,566	69,154,635	379,884,058
2015	1,249,263,227	1,999,034,036	71,600,022	392,169,804
2016	1,402,905,315	2,271,106,956	69,847,916	387,216,147
2017	1,529,793,107	2,481,494,926	67,108,420	384,641,893
2018	1,721,422,794	2,756,485,576	77,202,223	512,965,691
2019	1,973,204,723	3,187,568,228	72,843,938	524,883,070
2020	2,301,699,575	3,725,971,390	86,429,409	540,484,533
2021	2,667,598,669	4,241,418,591	86,163,840	535,780,468

Source: Osceola County Property Appraiser (DR-403V)

Notes: This schedule reflects values corresponding with the fiscal year(s) in which taxes are levied and payable.

Centrally Assessed Property consists of railroad and telegraph systems, which are assessed by the State of Florida. Currently, the City of St. Cloud does not have Centrally Assessed Property.

Centrally Assessed Property		Total			Percent of Total
Assessed Value	Estimated Actual Value	Assessed Value	Direct Tax Rate	Estimated Actual Value	Assessed Value to Total Estimated Actual Value
-	-	1,198,281,770	4.9128	1,784,192,506	67.2%
-	-	1,166,799,293	4.9128	2,034,701,620	57.3%
-	-	1,209,812,360	5.1128	2,157,186,624	56.1%
-	-	1,320,863,249	5.1128	2,391,203,840	55.2%
-	-	1,472,753,231	5.1128	2,658,323,103	55.4%
-	-	1,596,901,527	5.1128	2,866,136,819	55.7%
-	-	1,798,625,017	5.1128	3,269,451,267	55.0%
-	-	2,046,048,661	5.1128	3,712,451,298	55.1%
-	-	2,388,128,984	5.1128	4,266,455,923	56.0%
-	-	2,753,762,509	5.1128	4,777,199,059	57.6%

CITY OF ST. CLOUD
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

City Direct Rates				Overlapping Rates		
Fiscal Year	Basic Rate	General Obligation Debt Service	Total Direct Rate	Osceola County	Osceola County School District	South Florida Water Management
2021	5.1128	-	5.1128	7.1635	6.0260	0.2675
2020	5.1128	-	5.1128	7.1858	6.2400	0.2795
2019	5.1128	-	5.1128	7.1858	6.4110	0.2936
2018	5.1128	-	5.1128	7.1997	6.7490	0.3100
2017	5.1128	-	5.1128	7.1928	6.9050	0.3307
2016	5.1128	-	5.1128	7.2186	7.2610	0.3551
2015	5.1128	-	5.1128	7.1839	7.3750	0.3842
2014	5.1128	-	5.1128	7.1958	7.5090	0.4110
2013	4.9128	-	4.9128	7.1966	7.3230	0.4289
2012	4.9128	-	4.9128	7.1949	7.5770	0.4363

Source: Osceola County Tax Collector

Note: This schedule reflects rates corresponding with the fiscal year(s) in which taxes are levied and payable.

CITY OF ST. CLOUD
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	Fiscal Year 2020/2021 (a)			Fiscal Year 2011/2012 (b)		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
PROGRESS RESIDENTIAL BORROWER LLC	\$ 33,734,803	1	1.23%			
LENNAR HOMES LLC	25,991,915	2	0.94%			
SOLEIL BLU WEST ELEVEN LLC	24,790,500	3	0.90%			
IH3 / IH4 / IH5/ IH6 PROPERTY FLORIDA LP	22,719,631	4	0.83%			
2013-1 / 2017-1 / 2017-2 / 2018-2 / 2018-3 / 2018-4 / 2019-1 IH BORROWER LP	13,938,614	5	0.51%			
MARK MHP LTD THE / SUGAR MILL MHP LTD / SUGAR MILL NORTH LLC	12,522,344	6	0.45%			
WAL-MART STORES EAST LP	11,523,627	7	0.42%	\$ 10,777,987	2	0.90%
OSCEOLA SC LLC/ST CLOUD REGIONAL MEDICAL CENTER	11,061,912	8	0.40%	17,342,822	1	1.45%
MERCURY MARINE #7 / BRUNSWICK CORP	10,029,767	9	0.36%			
SUMMIT CRESTWOOD APARTMENTS LTD / CRESTWOOD APTS NEPTUNE BAY APARTMENTS	9,959,292	10	0.36%	9,877,499	3	0.82%
INLAND DIV ST CLOUD 13TH LLC / INLAND AMERICAN ST FL				8,985,200	4	0.75%
D R HORTON INC				7,887,059	5	0.66%
EMBARQ FL INC / SPRINT NEXTEL WIRELESS / SPRINT COM INC				6,699,595	6	0.56%
ROSEWOOD INTEREST INC				6,440,300	7	0.54%
STEVENS PLANTATION				6,434,204	8	0.54%
SEMBLER / TREASURE FL JOINT VENTURE II				6,284,900	9	0.52%
OAKS SHOPPING CENTER INC THE				5,993,700	10	0.50%
Total Taxable Assessed Value	176,272,405		6.40%	86,723,266		7.24%
Total Taxable Assessed Value all Other Taxpayers	2,577,490,104		93.60%	1,111,558,504		92.76%
Total Taxable Assessed Value all Taxpayers	\$ 2,753,762,509		100.00%	\$ 1,198,281,770		100.00%

(a) The fiscal year ended September 30, 2021, tax levy is based on the 2020 taxable value.

(b) The fiscal year ended September 30, 2012, tax levy is based on the 2011 taxable value.

Source: Osceola County Property Appraiser

CITY OF ST. CLOUD
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	5,926,418	5,690,535	96.02%	33,797	5,724,332	96.59%
2013	5,725,653	5,513,129	96.29%	14,261	5,527,390	96.54%
2014	6,193,240	5,958,031	96.20%	21,289	5,979,320	96.55%
2015	6,785,871	6,506,571	95.88%	17,844	6,524,415	96.15%
2016	7,539,265	7,243,253	96.07%	20,393	7,263,646	96.34%
2017	8,161,308	7,870,071	96.43%	19,434	7,889,505	96.67%
2018	9,193,298	8,907,454	96.89%	42,068	8,949,522	97.35%
2019	10,461,038	10,161,389	97.14%	9,060	10,170,449	97.22%
2020	12,210,026	11,729,490	96.06%	12,066	11,741,556	96.16%
2021	14,079,437	13,559,058	96.30%	17,120	13,576,178	96.43%

Sources: Osceola County Tax Collector
City of St. Cloud Finance Department

CITY OF ST. CLOUD
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Type Activities		Business-Type Activities	Total Primary Government	Percentage of Personal Income	Per Capita
	Revenue Bonds	Special Assessment Bonds	Revenue Bonds			
2012	62,784,957	-	69,618,819	132,403,776	12.85%	3,510
2013	58,318,905	-	66,600,479	124,919,384	11.80%	3,189
2014	53,910,955	-	63,477,977	117,388,932	10.53%	2,959
2015	51,334,604	-	60,228,808	111,563,412	9.03%	2,700
2016	49,356,603	-	56,498,966	105,855,569	8.03%	2,462
2017	46,271,334	-	52,779,183	99,050,517	6.84%	2,197
2018	43,447,700	-	48,972,187	92,419,887	5.96%	1,987
2019	40,878,973	-	45,071,371	85,950,344	5.09%	1,795
2020	39,467,868	-	41,075,091	80,542,959	4.04%	1,582
2021	36,400,758	-	36,100,507	72,501,265	N/A	1,230

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
N/A = Not available at time of publication.

CITY OF ST. CLOUD
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year ⁽¹⁾	Limited General Obligation Bonds	Total	Percentage of Actual Taxable Value of Property	Per Capita
2021				
2020				
2019				
2018				
2017				
2016				
2015				
2014				
2013				
2012				

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾ There was no general bonded debt in these fiscal years.

CITY OF ST. CLOUD
Direct and Overlapping Governmental Activities Debt
as of September 30, 2021
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Overlapping (2)	Estimated Share of Direct and Overlapping Debt (2)
Overlapping Debt			
School District of Osceola County Florida			
Long-Term Debt (1)			
Self Supporting State Bonds			
Series 2011ARFD	315,000	8.7708%	46,771
Series 2014A	759,000	8.7708%	90,558
Series 2017ARFD	644,000	8.7708%	67,011
Series 2020	91,000	8.7708%	67,011
District Revenue Bonds			
Sales Tax Revenue Bonds, Series 2015	16,854,000	8.7708%	1,869,372
Sales Tax Revenue Bonds, Series 2017	8,605,000	8.7708%	1,137,413
Capital Outlay Sales Tax Revenue Bonds, Series 2017	71,695,000	8.7708%	6,574,495
Capital Outlay Sales Tax Revenue Bonds, Series 2020	75,150,000	8.7708%	6,574,495
Certificates of Participation			
Series 2013A	25,085,000	8.7708%	2,434,490
Series 2014A	3,605,000	8.7708%	290,703
Series 2015A	3,935,000	8.7708%	463,674
Series 2017A	44,115,000	8.7708%	4,460,141
Series 2020A	4,770,000	8.7708%	4,460,141
Qualified School Construction Bonds			
Series 2010A	40,500,000	8.7708%	3,265,878
Education Benefit Districts			
Bellalago Benefit District	7,820,994	8.7708%	697,493
Total Osceola County School District (1)	303,943,994	8.7708%	32,499,646
Osceola County			
Limited General Obligation Debt			
Series 2015	5,305,000	8.7708%	1,037,420
Series 2020	9,580,000	8.7708%	586,648
Total Osceola County	14,885,000	8.7708%	1,624,068
Subtotal - Overlapping Debt	318,828,994	8.7708%	34,123,714
Direct Debt			
City of St. Cloud	36,400,758	100.0000%	36,400,758
Total Direct and Overlapping Debt	\$ 355,229,752		\$ 70,524,472

Sources: Osceola County Finance Department
Osceola County School Board Finance Department
City of St. Cloud Finance Department

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of St. Cloud, Florida. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying debt of each overlapping government.

(1) Excluding Capital Leases, Installment Purchases, Compensated Absences, and Estimated Insurance Claims Payable.

(2) Allocated on the basis of assessed values used for the purpose of ad valorem taxation.

CITY OF ST. CLOUD
Pledged-Revenue Coverage
Last Ten Fiscal Years

Governmental-Type Activities

One Percent Surcharge Revenue Notes

Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2012	3,266,193	-	3,266,193	885,632	369,549	2.60
2013	3,504,152	-	3,504,152	906,470	351,837	2.78
2014	3,785,580	-	3,785,580	932,518	324,643	3.01
2015	4,133,978	-	4,133,978	1,574,195	359,650	2.14
2016	4,438,492	-	4,438,492	1,648,686	289,724	2.29
2017	4,661,119	-	4,661,119	1,710,363	225,089	2.41
2018	5,135,595	-	5,135,595	1,421,411	173,139	3.22
2019	5,419,234	-	5,419,234	1,143,507	114,970	4.31
2020	4,649,414	-	4,649,414	1,177,370	80,664	3.70
2021	5,505,238	-	5,505,238	627,757	41,918	8.22

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Revenue pledge transferred to 1% surcharge from Utility tax beginning in 2015.

CITY OF ST. CLOUD
Pledged-Revenue Coverage
Last Ten Fiscal Years

Governmental-Type Activities

Gas Tax Revenue Bonds

Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service (1)	Debt Service		Coverage
				Principal	Interest	
2012	1,169,365	334,815	1,169,365	400,931	105,076	2.31
2013	1,317,560	340,590	1,317,560	416,055	90,061	2.60
2014	1,302,546	599,530	1,302,546	202,950	77,129	4.65
2015	1,315,950	496,930	1,315,950	208,142	71,937	4.70
2016 (2)	1,794,354	1,007,362	1,794,354	213,467	66,612	6.41
2017	1,817,205	1,373,430	1,817,205	218,928	61,151	6.49
2018	1,916,167	1,634,928	1,916,167	224,529	55,550	6.84
2019	2,033,207	-	2,033,207	230,273	49,806	7.26
2020	2,127,557	-	2,127,557	236,165	43,914	7.60
2021	2,231,556	-	2,231,556	242,208	37,871	7.97

(1) Gas tax revenue bonds are paid prior to operating expenses.

(2) Funding source changed to Stormwater revenue in FY2016.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF ST. CLOUD
Pledged-Revenue Coverage
Last Ten Fiscal Years

Governmental-Type Activities

Traffic / Mobility Impact Fee Bonds

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2012	1,797,459	15,812	1,781,647	814,368	2,306,684	0.57
2013	1,393,492	-	1,393,492	833,530	2,290,397	0.45
2014	1,221,292	-	1,221,292	857,482	2,265,391	0.39
2015	1,472,656	-	1,472,656	895,805	2,226,588	0.47
2016	3,201,916	-	3,201,916	941,314	2,183,235	1.02
2017 (3)	3,265,589	-	3,265,589	979,637	2,145,583	1.04
2018	4,137,457	-	4,137,457	1,003,589	2,120,373	1.32
2019	6,610,945	-	6,610,945	1,051,493	2,072,589	2.12
2020	6,346,987	-	6,346,987	1,417,630	862,540	2.78
2021	8,078,336	-	8,078,336	1,912,243	933,895	2.84

- (1) Total Revenues (including interest)
- (2) Total Operating Expenses Exclusive of Depreciation
- (3) Mobility fees added in 2017

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF ST. CLOUD
Pledged-Revenue Coverage
Last Ten Fiscal Years

Business-Type Activities

Water Utility Revenue Bonds

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2012	8,052,183	4,202,819	3,849,364	1,179,692	648,278	2.11
2013	9,723,906	4,146,469	5,577,437	1,333,101	941,821	2.45
2014	10,551,428	5,288,846	5,262,582	1,311,355	890,730	2.39
2015	11,676,597	5,970,689	5,705,908	1,391,668	857,043	2.54
2016	12,777,184	6,141,334	6,635,850	1,927,661	814,893	2.42
2017	14,614,213	6,660,795	7,953,418	1,979,350	764,876	2.90
2018	14,764,541	7,156,715	7,607,826	2,026,755	716,363	2.77
2019	16,111,439	8,266,460	7,844,979	2,079,895	664,492	2.86
2020	16,475,456	8,867,131	7,608,325	2,133,789	609,507	2.77
2021	18,131,225	9,061,952	9,069,273	2,188,458	553,069	3.31

- (1) Total operating revenues (including interest) as of FY 2010.
(in prior years pledged revenue included other non-operating income)
Impact fee revenue included does not exceed debt service on eligible portion of loan(s).
- (2) Total operating expenses exclusive of depreciation.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF ST. CLOUD
Pledged-Revenue Coverage
Last Ten Fiscal Years

Business-Type Activities

Sewer Utility Revenue Bonds

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2012	8,937,915	5,225,946	3,711,969	1,264,197	1,341,048	1.42
2013	10,718,872	5,056,485	5,662,387	2,658,008	722,936	1.67
2014	10,366,495	5,648,292	4,718,203	1,811,147	659,549	1.91
2015	11,904,870	5,287,600	6,617,270	1,857,504	612,831	2.68
2016	12,638,003	5,099,130	7,538,873	1,802,180	564,647	3.19
2017	13,440,582	5,376,924	8,063,658	1,740,432	522,654	3.56
2018	13,321,254	5,418,713	7,902,541	1,780,242	486,691	3.49
2019	14,574,125	5,823,048	8,751,077	1,820,920	446,575	3.86
2020	15,886,510	6,603,896	9,282,614	1,862,491	402,913	4.10
2021	17,076,231	6,526,400	10,549,831	1,909,976	358,145	4.65

- (1) Total operating revenues (including interest) as of FY 2010.
(in prior years pledged revenue included other non-operating income)
Impact fee revenue included does not exceed debt service on eligible portion of loan(s).
- (2) Total operating expenses exclusive of depreciation.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF ST. CLOUD
Demographic and Economic Statistics
Last Ten Calendar Years

Year	CITY OF ST. CLOUD		OSCEOLA COUNTY			
	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2012	37,723	1,030,441	27,316	35.6	55,832	9.4%
2013	39,171	1,058,361	27,019	35.5	57,538	7.2%
2014	39,674	1,114,363	28,088	35.9	58,851	6.4%
2015	41,316	1,235,803	29,911	36.4	60,125	5.7%
2016	42,998	1,318,534	30,665	36.5	62,648	4.8%
2017	45,094	1,447,337	32,096	35.7	67,796	3.6%
2018	46,519	1,551,223	33,346	35.7	71,901	3.3%
2019	47,874	1,687,941	35,258	36.7	69,332	3.0%
2020	50,897	1,995,671	39,210	36.0	68,519	13.3%
2021	58,964	N/A	N/A	36.0	74,769	5.4%

- Sources:** (1) University of Florida Bureau of Economic and Business Research (BEBR) <http://bebr.ufl.edu>.
(2) Bureau of Economic Analysis <https://www.bea.gov>.
Per Capita shown for Osceola County. Personal Income for St. Cloud determined by multiplying per capita by City population.
(3) Florida Legislature Office of Economic and Demographic Research <http://edr.state.fl.us>.
Median age shown for Osceola County.
(4) Osceola County School Board; <http://www.osceola.k12.fl.us>; Enrollment shown is for Osceola County.
(5) Unemployment rate shown for Osceola County.

N/A = Not available at time of publication.

CITY OF ST. CLOUD
Principal Employers
Osceola County, Florida
Current Year and Nine Years Ago

Employer	2021			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
School District of Osceola County	8,423	1	9.38%	5,708	1	7.90%
Adventist Health System	4,317	2	4.81%			
Wal-Mart Stores, INC	2,878	3	3.20%	2,227	4	3.08%
Walt Disney Company - Osceola County Offices	2,041	4	2.27%	3,114	2	4.31%
Orange Lake Resorts & Holiday Inn Club Vacations	1,900	5	2.11%			
Publix Supermarkets	1,799	6	2.00%	2,000	5	2.77%
Osceola Regional Medical Center	1,681	7	1.87%			
Gaylord Palms Resort & Convention Center	1,624	8	1.81%	1,434	9	1.98%
Osceola County Government	1,410	9	1.57%	2,305	3	3.19%
McLane/Suneast, Inc.	1,393	10	1.55%			
Westgate Vacation Villas				1,577	8	2.18%
Valencia College - Osceola						
Florida Hospital Celebration & Kissimme				1,750	7	2.42%
Wyndham Hotels				1,975	6	2.73%
Holiday Inn Hotels						
Total Largest Employers	<u>27,466</u> ⁽¹⁾		<u>30.57%</u>	<u>22,090</u>		<u>30.56%</u>
Total All Other Employers	<u>62,375</u>			<u>50,152</u>		
Total Employment	<u>89,841</u> ⁽²⁾			<u>72,242</u> ⁽³⁾		

Sources: ⁽¹⁾ Florida Department of Economic Opportunity (DEO) <http://www.myflorida.com/agency>

⁽²⁾ Florida Department of Economic Opportunity (DEO), Local Area Unemployment Statistics (LAUS)

⁽³⁾ Osceola County ACFR - Fiscal Year 2012

CITY OF ST. CLOUD
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Council Members	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
City Clerk	5.50	6.50	6.50	6.50	6.50	6.00	6.00	7.50	8.00	6.00
City Manager	5.00	1.00	3.00	3.00	4.00	9.00	10.00	12.50	16.50	20.00
Human Resources	7.00	7.00	7.00	7.00	6.00	7.00	7.00	7.00	8.00	8.00
Information Technology	12.50	12.50	12.50	13.00	13.00	12.00	13.00	13.00	10.00	10.50
Finance & Accounting	19.00	19.00	19.00	18.00	34.50	18.00	19.50	18.00	19.00	21.00
Building & Permitting	30.00	30.00	30.00	30.00	21.00	22.00	25.00	30.00	34.00	36.00
Planning & Zoning	11.00	12.00	12.00	13.00	8.00	8.00	10.00	19.00	16.00	20.00
Public Safety										
Police										
Sworn Officers	77.00	80.50	80.50	83.00	83.50	83.50	87.50	98.50	100.50	105.50
Civilians	52.00	52.00	54.00	54.00	55.50	63.50	62.50	64.50	65.50	67.50
Fire										
Sworn Officers	33.00	36.00	35.00	48.00	48.00	48.00	46.00	50.00	58.00	59.00
Civilians	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Emergency Services	20.00	20.00	20.00	20.00	20.00	20.00	24.00	24.00	19.00	26.00
Public Works										
Engineering	10.00	12.00	10.00	8.00	7.00	7.00	5.00	5.00	6.00	9.00
Street Maintenance	15.00	16.00	16.00	16.00	16.00	15.00	15.00	16.00	18.00	18.00
Fleet Maintenance	5.00	6.00	6.00	7.00	7.00	7.00	7.00	8.00	7.00	7.00
Traffic Control	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Turf & Landscape	20.00	19.00	19.00	20.00	17.50	9.50	13.50	13.50	14.00	13.00
Parks & Recreation	76.50	75.50	74.00	74.50	71.50	72.50	72.50	78.50	75.00	76.50
Water	75.50	77.50	79.50	96.50	77.00	90.00	90.00	95.00	92.50	97.00
Sewer	11.00	10.00	10.00	12.00	12.00	12.00	12.00	13.00	13.00	14.00
Sanitation	34.00	34.00	35.00	35.00	35.00	37.00	37.00	37.00	37.00	39.00
Total	528.50	536.00	538.50	574.00	552.50	556.50	572.00	619.50	626.50	662.50

Source: City of St. Cloud Annual Budget
Funded Full Time Equivalents

CITY OF ST. CLOUD
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government:										
Building Permits Issued	1,822	2,085	2,428	2,590	3,195	3,825	5,782	4,944	4,416	5,790
Building Inspections Conducted	6,692	11,533	12,102	12,903	17,087	21,698	28,940	43,536	35,769	36,674
Police:										
Physical Arrests	1,086	1,284	1,327	1,293	1,188	1,435	1,109	1,102	950	783
Citations	3,250	6,581	5,188	4,370	3,519	3,170	5,260	5,983	5,864	4,807
Calls for Service	73,345	69,645	69,785	83,829	83,109	85,186	90,667	95,432	92,906	96,854
Fire:										
EMS Responses	3,131	4,192	3,279	4,211	4,238	4,530	4,672	5,026	5,236	6,195
Fires Emergencies	1,437	1,620	1,313	1,371	1,487	1,735	1,813	1,835	2,074	2,420
Inspections	558	741	1,030	1,293	1,235	1,061	1,355	1,327	1,380	1,960
Refuse Collection:										
Refuse Collected (Tons per Year)	25,333	26,949	30,459	31,043	33,153	35,460	37,143	38,366	41,170	43,800
Refuse - Transfer Station (Tons per Year)	91,498	93,841	92,180	92,465	98,172	103,305	112,909	129,101	94,853	91,434
Other Public Works:										
Street Resurfacing (Miles)	3	3	3	1	3	-	3	4	1	8
Potholes Repaired (Yards)	1,232	2,064	5,029	4,850	5,317	4,100	3,600	3,376	2,448	1,340
Parks & Recreation:										
Camp Registrations	3,459	3,398	2,998	4,102	5,799	4,661	5,281	3,844	589	2,451
Pool Memberships	223	267	322	432	182	755	448	774	318	899
Private Use Rentals	113	160	178	252	315	427	496	650	437	866
Boat Basin Rentals	102	98	109	118	200	552	546	509	527	486
Potable Water:										
Total Average Connections/Customers	20,279	21,200	22,282	22,887	24,255	25,602	26,978	28,020	30,573	33,167
Average Annual Daily Consumption (MGD)	6	6	7	5	5	6	6	6	6	6
Wastewater:										
Total Connections	14,469	15,035	15,261	16,437	17,437	18,512	19,772	20,619	23,176	24,254
Average Annual Daily Sewage Treatment (MGD)	5	5	5	5	5	5	5	5	5	5
Reuse Water:										
Total Connections	3,632	3,865	4,129	4,845	5,191	5,567	6,726	7,204	8,857	9,401

Note: Boat basin rentals reported above are an annual average for the year indicated.

Source: Various City of St. Cloud Departments

CITY OF ST. CLOUD
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police:										
Stations (Square Footage)	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0
Training Facilities (Square Footage)	3,686.0	3,686.0	3,686.0	3,686.0	3,686.0	3,686.0	3,686.0	3,686.0	3,689.0	3,689.0
Marked Vehicles	62.0	65.0	65.0	63.0	61.0	69.0	73.0	92.0	88.0	92.0
Unmarked Vehicles	24.0	28.0	36.0	39.0	32.0	36.0	38.0	35.0	43.0	37.0
Special Operation Vehicles	4.0	9.0	12.0	14.0	16.0	19.0	22.0	24.0	26.0	30.0
Fire:										
Stations	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Fire Trucks/Engines	6.0	6.0	6.0	6.0	5.0	6.0	6.0	6.0	6.0	6.0
Fire Rescue Vehicles (Ambulances)	5.0	5.0	5.0	5.0	5.0	7.0	8.0	8.0	8.0	8.0
Public Relations Vehicles					2.0	2.0	2.0	2.0	2.0	2.0
Refuse Collection:										
Collection Trucks	24.0	24.0	26.0	26.0	26.0	30.0	27.0	33.0	28.0	34.0
Public Works:										
Storm Sewers (Miles)	140.1	140.0	141.5	142.9	145.8	153.0	200.0	156.8	345.0	347.7
Paved Miles	147.0	147.4	148.8	174.4	175.4	161.3	200.0	190.4	195.8	198.8
Unpaved Miles	-	-	-	-	-	1.2	1.2	1.2	10	10
Parks and Recreation:										
Parks	13.0	13.0	15.0	15.0	15.0	16.0	17.0	18.0	19.0	19.0
Park Acreage	241.0	241.0	287.0	287.0	291.4	419.4	420.4	421.4	640.4	640.4
Boat Slips	143.0	143.0	143.0	143.0	143.0	143.0	143.0	143.0	143.0	143.0
Playgrounds	11.0	11.0	11.0	11.0	11.0	13.0	13.0	14.0	14.0	14.0
Baseball Fields	13.0	13.0	13.0	13.0	13.0	14.0	14.0	14.0	14.0	14.0
Soccer Fields	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Community Centers	5.0	5.0	5.0	5.0	5.0	5.0	5.0	6.0	6.0	6.0
Urban Agricultural Area	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Water:										
Water Mains (Miles)	282.7	289.0	290.9	295.4	301.4	317.7	331.1	346.6	355.4	355.4
Fire Hydrants	2,075.0	2,137.0	2,180.0	2,211.0	2,279.0	2,450.0	2,594.0	2,738.0	2,867.0	2,889.0
Storage Capacity (Millions of Gallons)	5.1	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2
Treatment Capacity (Millions of Gallons)	16.3	15.8	15.8	15.8	15.8	15.8	15.8	15.8	15.8	15.8
Wastewater:										
Sanitary Sewers (Miles)	169.0	172.0	175.0	246.7	257.9	271.2	285.3	300.2	306.4	306.4
Treatment Capacity (Millions of Gallons)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	7.6	7.6	7.6

Note: Beginning in FY2020, roadways are tracked by lane mile.

Source: Various City of St. Cloud Departments

CITY OF ST. CLOUD
Commercial Construction Value
and Residential Construction Value
Last Ten Fiscal Years

Fiscal Year	Commercial Construction Value	Residential Construction	
		Number of Units	Value
2012	2,715,051	22	44,368,321
2013	7,068,724	644	72,072,288
2014	1,069,463	732	76,172,287
2015	4,035,475	788	101,991,287
2016	16,804,745	663	106,951,632
2017	11,365,658	748	230,969,900
2018	22,245,440	880	275,378,601
2019	26,416,791	1,234	407,186,844
2020	28,982,394	1,030	344,472,052
2021	14,995,602	1,198	462,107,726

Notes:

Source: City of St. Cloud Building Department

CITY OF ST. CLOUD
Tourist Statistical Data for Osceola County
Estimated Number of Overnight Visitors and Mode of Transportation
Last Ten Years

<u>Year⁽¹⁾</u>	<u>Air Visitors</u>	<u>Auto Visitors</u>	<u>Train/Bus Visitors</u>	<u>Total Visitors</u>	<u>% Change</u>
2012	3,746,000	2,676,000	77,000	6,499,000	7.90%
2013	3,709,000	3,047,000	81,000	6,837,000	5.20%
2014	3,876,000	3,185,000	84,000	7,154,000	4.64%
	<u>Room Nights</u>	<u>Occupancy</u>	<u>Total Economic Impact</u>	<u>Total Visitors</u>	<u>% Change</u>
2015 ⁽²⁾	7,525,300	72.40%	\$ 4,546,247,300	6,100,000	N/A
2016 ⁽³⁾	7,149,000	73.20%	\$ 5,431,139,000	7,460,000	22.30%
2017 ⁽³⁾	7,545,000	75.60%	\$ 5,934,129,000	7,901,000	5.91%
2018 ⁽⁴⁾	10,216,000	62.20%	\$ 6,000,000,000	8,600,000	8.85%
2019	10,446,000	63.60%	\$ 5,300,000,000	9,200,000	6.98%
2020	6,500,000	45.70%	\$ 5,000,000,000	6,000,000	-34.78%
2021	7,678,000	50.08%	\$ 5,500,000,000	9,587,000	59.78%

Notes:

⁽¹⁾ Data is on calendar year basis.

⁽²⁾ Experience Kissimmee hired a new vendor for fiscal year 2015, the new vendor used different methodology in their calculations. Information about visitors by air, auto, or train/bus is not available.

⁽³⁾ Data consists of 11 calendar months.

⁽⁴⁾ Since 2018 data is calculated on calendar year.

Source:

Osceola County; Experience Kissimmee

CITY OF ST. CLOUD
Insurance Coverage
September 30, 2021

<u>Types of Coverage</u>	<u>Coverages and Limits</u>		<u>Deductibles</u>
A. General Liability Insurance			
1 Bodily Injury and Property Damage Limit	\$ 1,000,000	Per Occurrence	\$ -
2 Personal Injury and Advertising Injury Limit	Included	Per Person or Organization	\$ -
3 Products & Completed Operations	Included		\$ -
4 General Aggregate Limit	\$ 1,000,000		\$ -
5 Employee Benefits Liability, per person	\$ 1,000,000	Per Occurrence	\$ -
6 Employee Benefits Liability, Aggregate Limit	\$ 1,000,000		\$ -
7 Fire Damage Limit	Included		\$ -
8 Law Enforcement Liability	\$ 1,000,000	Per Person/Occurrence/Aggregate	\$ 25,000
9 Cyber Liability Insurance	\$ 1,000,000		\$ 2,500
B. Property			
1 Building and Contents Limit, per schedule	\$ 117,765,583		\$ 25,000 or 2% For Named Storm
a. Flood (Excess of NFIP where available)	\$ 1,000,000	Per Occurrence/Aggregate	\$ 25,000
b. Boiler & Machinery	\$ 50,000,000		\$ 25,000
2 Inland Marine			
a. Unscheduled Blanket Inland Marine	\$ 1,940,718		\$ 10,000
b. Scheduled Inland Marine	\$ 2,757,912		\$ 10,000
c. Contractor's Mobile Equipment	Included		\$ 10,000
d. Electronic Data Processing Equipment	Included		\$ 10,000
e. Emergency Services Portable Equipment	Included		\$ 10,000
f. Fine Arts	Included		\$ 10,000
g. Rented, Borrowed, Leased Equipment	\$ 200,000		\$ 10,000
h. Valuable Papers	Included		\$ 10,000
i. Watercraft	\$ 13,786		\$ 10,000
C. Automobile			
1 Physical Damage Comprehensive/Collision Coverage	Actual Cash Value		\$ 5,000
2 Automobile Liability	\$ 1,000,000		\$ 5,000
3 Personal Injury Protection	Statutory		\$ 5,000
D. Public Officials			
1 Employment Practices Liability	\$ 1,000,000	Per Claim/Aggregate	\$ 25,000
2 Professional Liability	\$ 1,000,000	Per Claim/Aggregate	\$ 25,000
E. Crime			
1 Employee Dishonesty	\$ 1,000,000	Per Loss	\$ 10,000
2 On Premises/In Transit	\$ 50,000	Per Loss	\$ 5,000
3 Forgery or Alteration	\$ 250,000	Per Loss	\$ 5,000
4 Computer Fraud	\$ 1,000,000	Per Loss	\$ 10,000
5 Funds Transfer	\$ 1,000,000	Per Loss	\$ 10,000
6 Claim Expense	\$ 5,000		\$ -
F. Environmental (Pollution)			
1 Above Ground Storage Tanks, per schedule	\$ 1,000,000		\$ 25,000
G. Workers' Compensation			
1 Compensation Benefits	Statutory	City is self insured up to \$500,000 per occurrence	
2 Employers Liability:		Excess coverage for losses over \$ 500,000, per occurrence	
a. Each Accident	\$ 1,000,000		\$ -
b. Disease - Policy Limit	\$ 1,000,000		\$ -
c. Disease - Each Employee	\$ 1,000,000		\$ -
H. Fiduciary Fund			
Travelers Casualty and Surety Company of America	\$ 1,000,000		\$ 5,000
Cancer Fund Fire Fighter Insurance			
First Diagnosis - Class 1	\$ 25,000		\$ -
Accidental Death	\$ 75,000		\$ -
First Diagnosis - Class 3	\$ 25,000		\$ -
I. Group Health			
1 PPO Coverage - Preferred Plan		Office Co-pay	\$ 30
		Specialist Co-pay	\$ 45
		Hospital	Ded + Coins
		Rx - Tier 1	\$ 10
		Rx - Tier 2	\$ 30
		Rx - Tier 3	\$ 50
		Emer. Room	\$ 300
		Co-Ins.	80/20
		Max. out of Pocket	\$ 4,000 Individual

CITY OF ST. CLOUD
Insurance Coverage
September 30, 2021

<u>Types of Coverage</u>	<u>Coverages and Limits</u>	<u>Deductibles</u>
		\$ 8,000 Family
		Deductible \$ 1,250 Individual
		\$ 2,500 Family
2 PPO Coverage - Standard Plan		Office Co-pay \$ 30
		Specialist Co-pay \$ 55
		Hospital Ded + Coins
		Rx - Tier 1 \$ 10
		Rx - Tier 2 \$ 30
		Rx - Tier 3 \$ 50
		Emer. Room \$ 300
		Co-Ins. 80/20
		Max. out of Pocket \$ 5,000 Individual
		\$ 10,000 Family
		Deductible \$ 1,750 Individual
		\$ 3,500 Family
J. Group Life and Accidental Death and Dismemberment Insurance	1 times annual earnings rounded to the next higher multiple of \$1,000 Maximum amount of \$100,000 AD&D 3 times annual salary if wearing seatbelt	
K. Accidental Death and Dismemberment (Statutory Death Benefit Coverages for Police Officers and Firefighters)	<ul style="list-style-type: none"> • Line of Duty Coverage Principal Sum: \$75,000.00 • Fresh Pursuit Coverage Principal Sum: \$150,000.00 • Unlawful & Intentional Coverage Principal Sum: \$225,000 	
L. Employee Long-Term Disability	66-2/3 benefit percentage of own occupation period of disability up to 3 years Maximum: \$5,000; Minimum: \$100 Partial disability included	
M. Group Dental Insurance		
Low Plan	Preventative Procedures Basic Procedures Major Procedures Orthodontia Year Deductible (In Network) Year Deductible (Out of Network) Annual Max Annual Max Ortho	100/0 Co-Ins. 80/20 Co-Ins. 50/50 Co-Ins. 50/50 Individual \$0 / Family \$0 Individual \$50 / Family \$150 \$ 1,000 \$ 1,000
High Plan	Preventative Procedures Basic Procedures Major Procedures Orthodontia Year Deductible (In Network) Year Deductible (Out of Network) Annual Max Annual Max Ortho	100/0 Co-Ins. 100/0 Co-Ins. 60/40 Co-Ins. 50/50 Individual \$0 / Family \$0 Individual \$50 / Family \$150 \$ 1,500 \$ 2,000
N. Fiduciary Liability		
Police Officers & Firefighters	\$ 1,000,000	\$ -
General Employees	\$ 1,000,000	\$ -

CITY OF ST. CLOUD
Miscellaneous Statistical Data
September 30, 2021

CITY OF ST. CLOUD, FLORIDA

(UNAUDITED)

Date of Incorporation

March 4, 1911

Original Charter Adopted

September 12, 1967

Present Charter Adopted

January 27, 1994

Re-published on February 11, 2010

Most Recent Referendum

March 17, 2009

Form of Government

Council - Manager

Terms of Office

Mayor/Councilman and Four Councilmen - Staggered Four-year Terms

Boundary Areas

Municipality - 26.57 Square Miles

Electric Service Area - 150 Square Miles

COMPLIANCE SECTION

Additional elements of the report prepared
in accordance with the provisions of the
Uniform Guidance and the Rules of the Auditor
General of the State of Florida

COMPLIANCE SECTION

CITY OF ST. CLOUD, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

<u>Federal Awards</u>	<u>Assistance Listing Number</u>	<u>Grant/Contract Number</u>	<u>Program Award Amount</u>	<u>Expenditures</u>
U.S. Department of Housing and Urban Development				
Passed through Osceola County:				
Community Development Block Grants/Entitlement Grants	14.218	B-19-MC-12-0067	\$ 319,076	\$ 111,676
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-12-0067	338,056	118,319
Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-12-0067	519,782	<u>227,562</u>
Total U.S. Department of Housing and Urban Development				<u>457,558</u>
U.S. Department of Justice				
Bulletproof Vest Partnership Program	16.607	2018BUBX18093069	12,799	7,888
Bulletproof Vest Partnership Program	16.607	2016BUBX16081697	7,750	4,640
COPS Hiring Program	16.710	2020UMWX0221	500,000	<u>149,997</u>
				<u>162,525</u>
Passed through Osceola County:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2021-JAGD-OSCE-1-4R-033	5,347	<u>4,932</u>
				<u>4,932</u>
Total U.S. Department of Justice				<u>167,457</u>
U.S. Department of Homeland Security				
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2017-00294	983,828	194,727
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4337-DR-FL	469,176	<u>365,173</u>
Total U.S. Department of Homeland Security				<u>559,900</u>
General Services Administration				
Florida Department of Management Services Bureau of Federal Property Assistance:				
Donation of Federal Surplus Personal Property	39.003	-	16,262	<u>16,262</u>
Total General Services Administration				<u>16,262</u>
Total Expenditures of Federal Awards				<u>\$ 1,201,177</u>

Basis of Presentation

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of St. Cloud, Florida, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Uniform Guidance. Therefore, amounts presented in this schedule may differ from the amounts presented in, or used in, the preparation of the basic financial statements.

Indirect Cost Rate

The City of St. Cloud has elected not to use the 10% de minimis indirect cost rate allowed under the OMB Uniform Guidance.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Cloud, Florida (the City) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 28, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operations of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on

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The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*, which consist of:

2021-1—Notice of Event of Default

The U.S. Bank National Association acts as trustee (the Trustee) for the Stevens Plantation Improvement Project Dependent Special District (the District). The District was formed in 2003 and is presented as a blended component unit of the City. In May 2013, the Bond Holders of the outstanding \$4,460,000 portion of the \$5,890,000 Stevens Plantation Improvement Project Dependent Special District Revenue Bonds, Series 2003 (the Bonds) received a Notice of Event of Default because the Trustee did not receive sufficient payments from the District for the payment of the: (i) interest due on the Bonds on May 1, 2013; and (ii) principal maturity on the Bonds due and payable on May 1, 2013, and the amounts on deposit in the Revenue Fund and the Reserve account were insufficient to pay the interest and principal on the Bonds due and payable on May 1, 2013. At the direction of the beneficial holders of the bonds, a principal distribution and payment was made of \$876,151 in December 2020 towards the \$4,460,000 bonds outstanding, leaving a remaining balance of \$3,583,849. At the direction of the beneficial holders of the bonds, partial interest payments were made in June 2017 of \$710,812, February 2020 of \$1,321,827, and December 2020 of \$526,286 for interest accrued during the period November 1, 2011 through October 31, 2020.

The Trustee has been made aware that the District's failure to make such a payment arises from the failure by the District, as the owner of certain real property within the District, to consummate sales of the property to third parties and distribute certain net proceeds of such sales to the Trustee. Therefore, the District is not in compliance with certain provisions of the Bonds.

Management's corrective action plan can be found in management's response letter.

Additionally, we noted certain other matters that we have reported to management in a separate letter dated March 28, 2022.

The City's responses to the management letter comments identified in our audit are described in the accompanying schedule. We did not audit the City's response and, accordingly, we express no opinion on it.

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



March 28, 2022
Ocala, Florida

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

Report on Compliance for Each Major Federal Program

We have audited the City of St. Cloud, Florida's (the City) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements for Federal Awards* (Uniform Guidance). Those standards, and the Uniform Guidance, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

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The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



March 28, 2022
Ocala, Florida

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of Auditor’s Report Issued:	Unmodified
Internal Control over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Non-compliance material to financial statements noted?	Yes

Federal Awards

Internal Control over Major Programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	No
Type of Auditor’s Report Issued on Compliance for Major Programs:	Unmodified
Any Audit Findings Disclosed that are Required to be Reported in Accordance with 2 CFR 200.516(a)	No
Identification of Major Programs:	

Federal Program or Cluster

U.S. Department of Housing and Urban Development: Community Development Block Grant:	Assistance Listing No. 14.218
U.S. Department of Homeland Security: Staffing for Adequate Fire and Emergency Response (SAFER):	Assistance Listing No. 97.083
Dollar Threshold Used to Distinguish Between Type A and Type B Programs – Federal Programs:	\$750,000
Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?	No

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF ST. CLOUD, FLORIDA**

FINANCIAL STATEMENT FINDINGS

Findings Related to the Basic Financial Statements Required to be Reported Under Generally Accepted Government Auditing Standards (GAGAS)

See Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* comment 2021-1.

Other Issues

The following statement, as applicable to the situation, may be required in the Schedule of Findings and Questioned Costs:

- No summary schedule of prior audit findings is required because there were no prior audit findings related to federal programs.

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

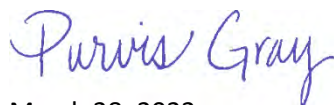
We have examined the City of St. Cloud, Florida (the City) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2021, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specific requirements. The nature, timing, and extent of procedures selected depend on our judgement, including an assessment of the risk of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with specific requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Members of the City Council, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.



March 28, 2022
Ocala, Florida

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MANAGEMENT LETTER

The Honorable Members of the City Council
 City of St. Cloud
 St. Cloud, Florida

Report on the Financial Statements

We have audited the financial statements of the City of St. Cloud, Florida (the City) as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 28, 2022.

Auditor’s Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*.

Other Reports and Schedules

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor’s Report on Compliance for Each Major Federal Program and on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant’s Report on an examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 28, 2022, should be considered in conjunction with this management letter

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report except as noted below on the following table:

Tabulation of Uncorrected Audit Findings		
Current Year Findings	2019-20 FY Findings	2018-19 FY Findings
2021-1	2020-1	2019-1
2021-2	2020-2	2019-3

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The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

MANAGEMENT LETTER

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. These disclosures can be found in Note 1 to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. In connection with our audit, we noted financial condition concerns with the Steven's Plantation Dependent Special District. Additional information can be found in the management letter comment 2020-2.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. See attached list of the management letter comments.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipally, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the St. Cloud Community Redevelopment Agency (CRA) reported this information in the CRA's separately issued financial statements.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Stevens Plantation Improvement Project Dependent Special District (the District) reported the following information that was not subject to auditing procedures:

- The total number of District employees compensated in the last pay period of the District's fiscal year as 0.
- The total number of independent contractors to whom non-employee compensation was paid in the last month of the District's fiscal year as 1.

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

MANAGEMENT LETTER

- All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency as \$445,705.
- There was no construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported.
- A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes, \$0.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate non-compliance with provisions of contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



March 28, 2022
Ocala, Florida

MANAGEMENT LETTER COMMENTS

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

During the course of our audit, the following items came to our attention. These items involve primarily operational matters, which, if improved, will result in more efficient and effective operations:

2021-2—Stevens Plantation Dependent Special District

The Stevens Plantation Dependent Special District (the District) was created by the City of St. Cloud, Florida (the City) on August 21, 2003, via City Ordinance 2003-47, pursuant to Section 189.4041 of the Florida Statutes. The purpose of the District is to acquire land within its geographical boundary from the proceeds of tax-exempt debt for resale to developers in association with the Stevens Plantation Development (a mixed-use, master planned community encompassing approximately 590 acres within the City). The District is included as a blended component unit in the accompanying government-wide financial statements of the City.

Our review of the financial condition of the District indicates that there are several issues management needs to continue to address. These issues as of September 30, 2021, consist of the following:

- Bonds Payable of the District of \$3,583,849 are currently in default. We recommend that management continue to work with both legal and bond counsel to determine the legal liability associated with the default and the plans to address how to resolve the defaulted status of the Bonds.
- Land Held for Sale is currently reported in the accounting records at \$1,067,555, which is based on the historic values at which the land was purchased for resale. We recommend management reevaluate the carrying value of the land based on current appraised values and determine possible impairments.
- The District has obtained interfund borrowings from both the General Fund and OUC Interlocal Agreement Fund to cover the deficit and meet the operating needs of the fund for several years. In prior years, a majority of this balance (approximately \$9,500,000) was reclassified from an interfund borrowing to a permanent transfer of funds. An additional \$350,000 was transferred during 2021 for the payment of 2018 tax assessments and other expenses of the District, while none of the advance was repaid in the current year. We recommend that the City continue to monitor the future potential for recovery of these advances and consider the source of funds and recoverability of future advances to the District.

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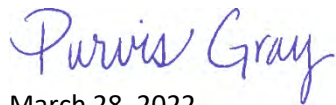
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The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

MANAGEMENT LETTER COMMENTS

- Through notifications from the Stevens Plantation Community Development District (the CDD) and review of their September 30, 2019 audit report, the CDD is not in compliance with certain provisions of their bond indentures for their Special Assessment Revenue Bonds, Series 2003A and 2003B, including those relating to: 1) collecting assessments to provide payment of debt service, and 2) making its semi-annual debt service principal and interest payments. The District holds land held for sale that is assessed annually by the CDD for operations maintenance and their proportion of the infrastructure improvements purchased through the issuance of the bonds. Through 2013, the District had paid their annual assessments; however, after that time, the Tax Collector has sold tax certificates each year to satisfy delinquent taxes and assessments on the properties owned by the District. Since then, the City has satisfied tax certificates as required to avoid foreclosure of District owned property. The District has made no subsequent assessments, except for specific parcels sold since 2013. Additionally, there are restrictions on the land such that if there are any land sales, a portion of the sales proceeds are required to be submitted to the CDD for payment on the 2003B bonds. During the 2013 fiscal year, the District received notice from the CDD that the remaining assessment value of \$6,445,676 was due and payable for the 2003B bonds. Since 2013, the District has paid \$4,262,997 from land sales to the CDD.

We recommend that management continue to work with legal and bond counsel to resolve these issues addressing the financial stability and legal liability associated with the indebtedness associated with the District including its relationship with the CDD.



March 28, 2022
Ocala, Florida



March 28, 2022

Auditor General's Office
Local Government Section
Claude Denson Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

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Re: RESPONSE TO AUDITOR'S MANAGEMENT LETTER COMMENTS

Dear Ladies and Gentlemen:

The following is the City of St. Cloud's response to the independent auditor's management letter for the Auditor's Comments:

2021-1 —Stevens Plantation Dependent Special District Notice of Event of Default

St. Cloud's Response:

The City agrees with the Auditor's comments.

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Bonds Payable of the District is currently in default

The City and the Dependent Special District (DSD) have continued to aggressively market the property for sale at the highest possible value, while urging the bondholders to work with the District toward extinguishment of the bond obligations as part of future land sale transactions. Presently there are active sales in progress from private interest sectors to purchase the land held by the District, whereupon the net proceeds will be distributed in accordance with the Trust Agreement toward repayment of the bonds.

2021-2—Stevens Plantation Dependent Special District

St. Cloud's Response:

The City agrees with the Auditor's comments.

Bonds Payable of the District is currently in default

The City and the Dependent Special District (DSD) have continued to aggressively market the property for sale at the highest possible value, while working with the bondholders to obtain the highest possible net proceeds from sales to satisfy the DSD bonds. Recently the District closed on the sale of four additional properties and the net proceeds from this sale were distributed in accordance with the Trust Agreement toward repayment of the bonds. Currently the DSD has pending contracts to sell the four remaining properties held by the District and, in accordance with the Trust Agreement, the net proceeds of these sales will be distributed to the bond trustees for allocation to the outstanding bonds.

Land Held for Sale is currently reported based on historic values. Consider reevaluating the carrying value based on current appraised value.

The City agrees that the Land Held for Sale values need to be re-evaluated. As of the date of this letter, all remaining land held by the District will be subject to listing agreements with professional realtors for the sale of the land. The City will work with the listing agents to re-evaluate the land values.

The District has obtained inter-fund borrowings from both the General Fund and OUC Inter-local Agreement Fund to cover the deficit. Recommend the City to continue to monitor potential for recovery of these advances and consider the source of funds and recoverability of future advances to the District.

In FY2021, the City had no advances as it relates to the payment of District tax assessments. The City made a direct transfer for the payment of the 2018 delinquent taxes due. The direct transfer was decided due to the inability to guarantee collection of funds from the District. Budget Amendment Resolution depicted the Council's approval for the needed transfer which is also transparent in the financial statements as well as Note 8. Any future tax payment obligations of the District, for which the City agrees to pay, will be paid in the same manner with funds being restricted for Economic Development.

The Stevens Plantation Community Development District (CDD) is not in compliance with certain provisions of the bond indentures, including paying the annual tax assessment.

As a subsequent event, the St. Cloud City Council approved a Budget Amendment Resolution to pay the assessed taxes as due. The payment for the 2019 taxes has been made.

Sincerely,

CITY OF ST. CLOUD



Wendy C. Collazo, CPM, CGFO
Finance Director

March 28, 2022

AFFIDAVIT

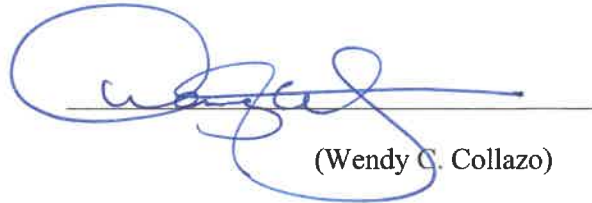
BEFORE ME, the undersigned authority, personally appeared (Wendy C. Collazo), who being duly sworn, deposes and says on oath that:

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- I am the Chief Financial Officer (Finance Director) of The City of St. Cloud Florida which is a local jurisdiction (city) of the State of Florida;
- The City of St. Cloud has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.
- See the attached listing of impact fees adopted on the following page.

FURTHER AFFIANT SAYETH NAUGHT.

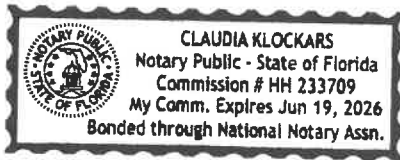
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(Wendy C. Collazo)

STATE OF FLORIDA
 COUNTY OF OSCEOLA

SWORN TO AND SUBSCRIBED before me this 21st day of March, 2022.



Claudia Klockars

NOTARY PUBLIC

Print Name Claudia Klockars

Personally known or produced identification _____

Type of identification produced: _____

My Commission Expires:

Jun 19, 2026

The impact fees adopted by ordinance or resolution as follows:

- The City of St. Cloud, Florida adopted Ordinance No. 1992-C providing for the establishment of Park and Recreation Impact Fees, effective on January 14, 1992.
- The City of St. Cloud, Florida adopted Ordinance No. 2010-051 that established the Potable Water Impact Fees, effective on January 1, 2011.
- The City of St. Cloud, Florida adopted Ordinance No. 2010-052 that established the Sewer Impact Fees, effective on January 1, 2011.
- The City of St. Cloud, Florida adopted Ordinance No. 2017-43 that established the Public Safety Impact Fees, effective on January 1, 2018.
- The City of St. Cloud, Florida adopted Resolution No. 2019-253R adopting the Mobility Fee Schedule and discount percentages, effective on April 1, 2020.
- The City of St. Cloud, Florida adopted Ordinance No. 2020-10 which established the Solid Waste Impact Fees, effective on July 1, 2020.